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, 2022

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, 2022, there were 200,202,672 shares of OGE Energy Corp.'s common stock, par value $0.01 per share, outstanding.

At September 30, 2022, 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, 2022

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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**
2021 Form 10-K	Annual Report on Form 10-K for the year ended December 31, 2021
APSC	Arkansas Public Service Commission
ASC	Financial Accounting Standards Board Accounting Standards Codification
ASU	Accounting Standards Update from the Financial Accounting Standards Board
CO_2	Carbon dioxide
COVID-19	Novel Coronavirus disease
Dry Scrubber	Dry flue gas desulfurization unit with spray dryer absorber
Enable	Enable Midstream Partners, LP, partnership formed to own and operate the midstream businesses of OGE Energy and CenterPoint Energy, Inc. (prior to December 2, 2021)
Energy Transfer	Energy Transfer LP, a Delaware limited partnership, collectively with its subsidiaries
EPA	U.S. Environmental Protection Agency
Federal Clean Water Act	Federal Water Pollution Control Act of 1972, as amended
FERC	Federal Energy Regulatory Commission
GAAP	Accounting principles generally accepted in the U.S.
IRP	Integrated Resource Plan
ISO	Independent system operator
MWh	Megawatt-hour
NGLs	Natural gas liquids, which are the hydrocarbon liquids contained within the natural gas stream
NOPR	Notice of proposed rulemaking
NO_X	Nitrogen oxide
OCC	Oklahoma Corporation Commission
ODEQ	Oklahoma Department of Environmental Quality
ODFA	Oklahoma Development Finance Authority
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
OGE Holdings	OGE Enogex Holdings, LLC, wholly-owned subsidiary of OGE Energy and 25.5 percent owner of Enable (prior to December 2, 2021)
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
RTO	Regional transmission organization
SIP	State Implementation Plan
SO_2	Sulfur dioxide
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," "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' 2021 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 OGE Energy and its subsidiaries 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, including through securitization, 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;
- the impact on demand for services resulting from cost-competitive advances in technology, such as distributed electricity generation and customer energy efficiency programs;
- technological developments, changing markets and other factors that result in competitive disadvantages and create the potential for impairment of existing assets;
- factors affecting utility operations such as unusual weather conditions; catastrophic weather-related damage; unscheduled generation outages, unusual maintenance or repairs; unanticipated changes to fossil fuel, natural gas or coal supply costs or availability due to higher demand, shortages, transportation problems or other developments; environmental incidents; or electric transmission or gas pipeline system constraints;
- availability and prices of raw materials and equipment for current and future construction projects;
- the effect of retroactive pricing of transactions in the SPP markets or adjustments in market pricing mechanisms by the SPP;
- federal or state legislation and regulatory decisions and initiatives that affect cost and investment recovery, have an impact on rate structures or affect the speed and degree to which competition enters the 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;
- changes in accounting standards, rules or guidelines;
- the discontinuance of accounting principles for certain types of rate-regulated activities;
- the cost of protecting assets against, or damage due to, terrorism or cyberattacks, including losing control of our assets and potential ransoms, and other catastrophic events;
- creditworthiness of suppliers, customers and other contractual parties, including large, new customers from emerging industries such as cryptocurrency;
- social attitudes regarding the utility, natural gas 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;
- the impact of extraordinary external events, such as the pandemic health event resulting from COVID-19, and their collateral consequences;
- national and global events that could adversely affect and/or exacerbate macroeconomic conditions, including inflationary pressures, rising interest rates, supply chain disruptions, economic recessions and uncertainty surrounding continued hostilities or sustained military campaigns;
- 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' 2021 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)

(In millions, except per share data)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
OPERATING REVENUES				
Revenues from contracts with customers	**$ 1,250.6**	$ 848.2	**$ 2,619.7**	$ 3,033.7
Other revenues	**20.2**	16.2	**44.1**	38.7
Operating revenues	**1,270.8**	864.4	**2,663.8**	3,072.4
FUEL, PURCHASED POWER AND DIRECT TRANSMISSION EXPENSE	**673.8**	330.1	**1,322.8**	1,876.9
OPERATING EXPENSES				
Other operation and maintenance	**131.4**	115.4	**364.5**	343.9
Depreciation and amortization	**122.4**	108.6	**341.4**	310.2
Taxes other than income	**25.3**	25.5	**77.5**	78.5
Operating expenses	**279.1**	249.5	**783.4**	732.6
OPERATING INCOME	**317.9**	284.8	**557.6**	462.9
OTHER INCOME (EXPENSE)				
Gain on equity securities (Note 1)	**39.4**	—	**282.1**	—
Equity in earnings of unconsolidated affiliates	**—**	41.2	**—**	127.9
Allowance for equity funds used during construction	**2.4**	1.9	**4.6**	4.8
Other net periodic benefit income (expense)	**0.3**	(1.6)	**(11.8)**	(4.3)
Other income	**16.1**	5.6	**60.6**	14.9
Other expense	**(19.5)**	(3.8)	**(33.1)**	(12.5)
Net other income	**38.7**	43.3	**302.4**	130.8
INTEREST EXPENSE				
Interest on long-term debt	**40.8**	39.3	**119.7**	115.5
Allowance for borrowed funds used during construction	**(0.6)**	(1.0)	**(2.7)**	(2.5)
Interest on short-term debt and other interest charges	**2.0**	1.2	**7.7**	5.8
Interest expense	**42.2**	39.5	**124.7**	118.8
INCOME BEFORE TAXES	**314.4**	288.6	**735.3**	474.9
INCOME TAX EXPENSE	**51.6**	36.1	**119.9**	56.8
NET INCOME	**$ 262.8**	$ 252.5	**$ 615.4**	$ 418.1
BASIC AVERAGE COMMON SHARES OUTSTANDING	**200.2**	200.2	**200.2**	200.1
DILUTED AVERAGE COMMON SHARES OUTSTANDING	**200.9**	200.4	**200.7**	200.3
BASIC EARNINGS PER AVERAGE COMMON SHARE	**$ 1.31**	$ 1.26	**$ 3.07**	$ 2.09
DILUTED EARNINGS PER AVERAGE COMMON SHARE	**$ 1.31**	$ 1.26	**$ 3.07**	$ 2.09

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)	**2022**	2021	**2022**	2021
Net income	**$ 262.8**	$ 252.5	**$ 615.4**	$ 418.1
Other comprehensive income (loss), net of tax:				
Pension Plan and Restoration of Retirement Income Plan:				
Amortization of prior service cost, net of tax of $0.1, $0.0, $0.1 and $0.0, respectively	**—**	0.1	**0.1**	0.1
Amortization of deferred net loss, net of tax of $0.0, $0.2, $0.3 and $0.6, respectively	**0.4**	0.4	**0.9**	1.2
Settlement cost, net of tax of $0.5, $0.3, $2.9 and $1.9, respectively	**1.4**	1.1	**9.5**	4.8
Postretirement benefit plans:				
Amortization of prior service credit, net of tax of ($0.1), ($0.1), ($0.1) and ($0.3), respectively	**(0.1)**	(0.3)	**(0.1)**	(1.0)
Amortization of deferred net loss, net of tax of $0.0, $0.0, $0.0 and $0.0, respectively	**—**	—	**—**	0.1
Other comprehensive gain from unconsolidated affiliates, net of tax of $0.0, $0.0, $0.0 and $0.1, respectively	**—**	0.3	**—**	0.6
Other comprehensive income, net of tax	**1.7**	1.6	**10.4**	5.8
Comprehensive income	**$ 264.5**	$ 254.1	**$ 625.8**	$ 423.9

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)	**2022**	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 615.4**	$ 418.1
Adjustments to reconcile net income to net cash provided from (used in) operating activities:		
Depreciation and amortization	**341.4**	310.2
Deferred income taxes and other tax credits, net	**(175.9)**	40.9
Gain on investment in equity securities	**(282.1)**	—
Equity in earnings of unconsolidated affiliates	**—**	(127.9)
Distributions from unconsolidated affiliates	**—**	55.0
Allowance for equity funds used during construction	**(4.6)**	(4.8)
Stock-based compensation expense	**6.9**	7.1
Regulatory assets	**702.1**	(881.5)
Regulatory liabilities	**(71.7)**	(50.0)
Other assets	**21.0**	(6.7)
Other liabilities	**(19.3)**	(41.6)
Change in certain current assets and liabilities:		
Accounts receivable and accrued unbilled revenues, net	**(174.9)**	(99.4)
Income taxes receivable	**2.5**	7.6
Fuel, materials and supplies inventories	**(84.5)**	8.7
Fuel recoveries	**(355.3)**	(126.8)
Other current assets	**(30.7)**	(4.9)
Accounts payable	**16.3**	(41.4)
Other current liabilities	**261.2**	43.3
Net cash provided from (used in) operating activities	**767.8**	(494.1)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures (less allowance for equity funds used during construction)	**(690.8)**	(540.6)
Proceeds from sales of equity securities	**1,067.2**	—
Other	**(3.5)**	(6.3)
Net cash provided from (used in) investing activities	**372.9**	(546.9)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	**49.8**	999.6
Increase (decrease) in short-term debt	**(486.9)**	288.2
Payment of long-term debt	**(0.1)**	(0.1)
Dividends paid on common stock	**(246.4)**	(242.8)
Cash paid for employee equity-based compensation and expense of common stock	**(0.9)**	(3.5)
Net cash (used in) provided from financing activities	**(684.5)**	1,041.4
NET CHANGE IN CASH AND CASH EQUIVALENTS	**456.2**	0.4
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**—**	1.1
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**$ 456.2**	$ 1.5

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, 2022**	December 31, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	**$ 456.2**	$ —
Accounts receivable, less reserve of $2.0 and $2.4, respectively	**320.7**	162.3
Accrued unbilled revenues	**81.5**	65.0
Income taxes receivable	**0.1**	2.6
Fuel inventories	**85.3**	40.6
Materials and supplies, at average cost	**157.7**	117.9
Fuel clause under recoveries	**507.2**	151.9
Other	**104.1**	73.3
Total current assets	**1,712.8**	613.6
OTHER PROPERTY AND INVESTMENTS		
Equity securities investment in Energy Transfer	**—**	785.1
Other	**104.6**	120.0
Total other property and investments	**104.6**	905.1
PROPERTY, PLANT AND EQUIPMENT		
In service	**14,438.4**	13,899.8
Construction work in progress	**345.7**	252.0
Total property, plant and equipment	**14,784.1**	14,151.8
Less: accumulated depreciation	**4,516.3**	4,318.9
Net property, plant and equipment	**10,267.8**	9,832.9
DEFERRED CHARGES AND OTHER ASSETS		
Regulatory assets	**493.9**	1,230.8
Other	**24.9**	24.0
Total deferred charges and other assets	**518.8**	1,254.8
TOTAL ASSETS	**$ 12,604.0**	$ 12,606.4

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, 2022**	December 31, 2021
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Short-term debt	**$ —**	$ 486.9
Accounts payable	**299.7**	274.0
Dividends payable	**82.9**	82.1
Customer deposits	**86.4**	81.1
Accrued taxes	**263.8**	52.9
Accrued interest	**42.7**	40.8
Accrued compensation	**44.0**	37.7
Long-term debt due within one year	**999.9**	—
Other	**56.6**	34.1
Total current liabilities	**1,876.0**	1,089.6
LONG-TERM DEBT	**3,548.2**	4,496.4
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	**145.7**	159.8
Deferred income taxes	**1,201.3**	1,333.3
Deferred investment tax credits	**13.6**	12.8
Regulatory liabilities	**1,178.7**	1,231.1
Other	**199.8**	227.1
Total deferred credits and other liabilities	**2,739.1**	2,964.1
Total liabilities	**8,163.3**	8,550.1
COMMITMENTS AND CONTINGENCIES (NOTE 13)		
STOCKHOLDERS' EQUITY		
Common stockholders' equity	**1,131.7**	1,125.8
Retained earnings	**3,323.5**	2,955.4
Accumulated other comprehensive loss, net of tax	**(14.4)**	(24.8)
Treasury stock, at cost	**(0.1)**	(0.1)
Total stockholders' equity	**4,440.7**	4,056.3
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$ 12,604.0**	$ 12,606.4

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		Treasury Stock					
(In millions)	Shares	Value	Shares	Value	Premium on Common Stock	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total
Balance at December 31, 2021	200.1	$ 2.0	—	$ (0.1)	$ 1,123.8	$ 2,955.4	$ (24.8)	$ 4,056.3
Net income	—	—	—	—	—	**279.5**	—	**279.5**
Other comprehensive income, net of tax	—	—	—	—	—	—	**7.8**	**7.8**
Dividends declared on common stock ($0.4100 per share)	—	—	—	—	—	**(82.3)**	—	**(82.3)**
Stock-based compensation	—	—	—	—	**1.4**	—	—	**1.4**
Balance at March 31, 2022	**200.1**	**$ 2.0**	**—**	**$ (0.1)**	**$ 1,125.2**	**$ 3,152.6**	**$ (17.0)**	**$ 4,262.7**
Net income	—	—	—	—	—	**73.1**	—	**73.1**
Other comprehensive income, net of tax	—	—	—	—	—	—	**0.9**	**0.9**
Dividends declared on common stock ($0.4100 per share)	—	—	—	—	—	**(82.1)**	—	**(82.1)**
Stock-based compensation	**0.1**	—	—	—	**2.3**	—	—	**2.3**
Balance at June 30, 2022	**200.2**	**$ 2.0**	**—**	**$ (0.1)**	**$ 1,127.5**	**$ 3,143.6**	**$ (16.1)**	**$ 4,256.9**
Net income	—	—	—	—	—	**262.8**	—	**262.8**
Other comprehensive income, net of tax	—	—	—	—	—	—	**1.7**	**1.7**
Dividends declared on common stock ($0.4141 per share)	—	—	—	—	—	**(82.9)**	—	**(82.9)**
Stock-based compensation	—	—	—	—	**2.2**	—	—	**2.2**
Balance at September 30, 2022	**200.2**	**$ 2.0**	**—**	**$ (0.1)**	**$ 1,129.7**	**$ 3,323.5**	**$ (14.4)**	**$ 4,440.7**
Balance at December 31, 2020	200.1	$ 2.0	0.1	$ (5.3)	$ 1,122.6	$ 2,544.6	$ (32.1)	$ 3,631.8
Net income	—	—	—	—	—	52.7	—	52.7
Other comprehensive income, net of tax	—	—	—	—	—	—	3.5	3.5
Dividends declared on common stock ($0.4025 per share)	—	—	—	—	—	(81.7)	—	(81.7)
Stock-based compensation	—	—	(0.1)	5.2	(6.0)	—	—	(0.8)
Balance at March 31, 2021	200.1	$ 2.0	—	$ (0.1)	$ 1,116.6	$ 2,515.6	$ (28.6)	$ 3,605.5
Net income	—	—	—	—	—	112.9	—	112.9
Other comprehensive income, net of tax	—	—	—	—	—	—	0.7	0.7
Dividends declared on common stock ($0.4025 per share)	—	—	—	—	—	(80.6)	—	(80.6)
Stock-based compensation	—	—	—	—	2.3	—	—	2.3
Balance at June 30, 2021	200.1	$ 2.0	—	$ (0.1)	$ 1,118.9	$ 2,547.9	$ (27.9)	$ 3,640.8
Net income	—	—	—	—	—	252.5	—	252.5
Other comprehensive income, net of tax	—	—	—	—	—	—	1.6	1.6
Dividends declared on common stock ($0.4100 per share)	—	—	—	—	—	(82.1)	—	(82.1)
Stock-based compensation	—	—	—	—	2.1	—	—	2.1
Balance at September 30, 2021	200.1	$ 2.0	—	$ (0.1)	$ 1,121.0	$ 2,718.3	$ (26.3)	$ 3,814.9

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)	**2022**	2021	**2022**	2021
OPERATING REVENUES				
Revenues from contracts with customers	**$ 1,250.6**	$ 848.2	**$ 2,619.7**	$ 3,033.7
Other revenues	**20.2**	16.2	**44.1**	38.7
Operating revenues	**1,270.8**	864.4	**2,663.8**	3,072.4
FUEL, PURCHASED POWER AND DIRECT TRANSMISSION EXPENSE	**673.8**	330.1	**1,322.8**	1,876.9
OPERATING EXPENSES				
Other operation and maintenance	**121.5**	115.8	**355.3**	344.4
Depreciation and amortization	**122.4**	108.6	**341.4**	310.2
Taxes other than income	**24.5**	24.6	**74.6**	75.3
Operating expenses	**268.4**	249.0	**771.3**	729.9
OPERATING INCOME	**328.6**	285.3	**569.7**	465.6
OTHER INCOME (EXPENSE)				
Allowance for equity funds used during construction	**2.4**	1.9	**4.6**	4.8
Other net periodic benefit income (expense)	**2.2**	(1.1)	**(1.0)**	(3.2)
Other income	**2.1**	2.4	**4.3**	5.2
Other expense	**(1.1)**	(0.3)	**(1.9)**	(1.0)
Net other income	**5.6**	2.9	**6.0**	5.8
INTEREST EXPENSE				
Interest on long-term debt	**39.8**	38.4	**116.9**	114.2
Allowance for borrowed funds used during construction	**(0.6)**	(1.0)	**(2.7)**	(2.5)
Interest on short-term debt and other interest charges	**1.0**	0.6	**4.0**	2.6
Interest expense	**40.2**	38.0	**118.2**	114.3
INCOME BEFORE TAXES	**294.0**	250.2	**457.5**	357.1
INCOME TAX EXPENSE	**40.9**	26.4	**64.7**	37.0
NET INCOME	**$ 253.1**	$ 223.8	**$ 392.8**	$ 320.1
Other comprehensive income, net of tax	**—**	—	**—**	—
COMPREHENSIVE INCOME	**$ 253.1**	$ 223.8	**$ 392.8**	$ 320.1

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

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

	Nine Months Ended September 30,	
(In millions)	**2022**	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	**$ 392.8**	$ 320.1
Adjustments to reconcile net income to net cash provided from (used in) operating activities:		
Depreciation and amortization	**341.4**	310.2
Deferred income taxes and other tax credits, net	**203.0**	32.1
Allowance for equity funds used during construction	**(4.6)**	(4.8)
Stock-based compensation expense	**2.3**	1.6
Regulatory assets	**702.1**	(881.5)
Regulatory liabilities	**(71.7)**	(50.0)
Other assets	**1.3**	(0.9)
Other liabilities	**(10.6)**	(38.2)
Change in certain current assets and liabilities:		
Accounts receivable and accrued unbilled revenues, net	**(174.3)**	(100.8)
Fuel, materials and supplies inventories	**(84.5)**	8.7
Fuel recoveries	**(355.3)**	(126.8)
Other current assets	**(29.9)**	(3.2)
Accounts payable	**12.4**	(39.3)
Income taxes payable - parent	**(136.2)**	7.2
Other current liabilities	**55.7**	36.0
Net cash provided from (used in) operating activities	**843.9**	(529.6)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures (less allowance for equity funds used during construction)	**(690.8)**	(540.6)
Net cash used in investing activities	**(690.8)**	(540.6)
CASH FLOWS FROM FINANCING ACTIVITIES		
Changes in advances with parent	**(150.9)**	87.0
Payment of long-term debt	**(0.1)**	(0.1)
Proceeds from long-term debt	**—**	499.8
Capital contribution from OGE Energy	**—**	530.0
Dividends paid on common stock	**—**	(45.0)
Net cash (used in) provided from financing activities	**(151.0)**	1,071.7
NET CHANGE IN CASH AND CASH EQUIVALENTS	**2.1**	1.5
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**—**	—
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**$ 2.1**	$ 1.5

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, 2022**	December 31, 2021
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	**$ 2.1**	$ —
Accounts receivable, less reserve of $2.0 and $2.4, respectively	**319.8**	162.0
Accrued unbilled revenues	**81.5**	65.0
Advances to parent	**200.0**	—
Fuel inventories	**85.3**	40.6
Materials and supplies, at average cost	**157.7**	117.9
Fuel clause under recoveries	**507.2**	151.9
Other	**97.6**	67.7
Total current assets	**1,451.2**	605.1
OTHER PROPERTY AND INVESTMENTS	**4.4**	3.9
PROPERTY, PLANT AND EQUIPMENT		
In service	**14,432.3**	13,893.7
Construction work in progress	**345.7**	252.0
Total property, plant and equipment	**14,778.0**	14,145.7
Less: accumulated depreciation	**4,516.3**	4,318.9
Net property, plant and equipment	**10,261.7**	9,826.8
DEFERRED CHARGES AND OTHER ASSETS		
Regulatory assets	**493.9**	1,230.8
Other	**22.6**	21.4
Total deferred charges and other assets	**516.5**	1,252.2
TOTAL ASSETS	**$ 12,233.8**	$ 11,688.0

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, 2022**	December 31, 2021
LIABILITIES AND STOCKHOLDER'S EQUITY		
CURRENT LIABILITIES		
Accounts payable	**$ 262.3**	$ 240.6
Advances from parent	**—**	101.3
Customer deposits	**86.4**	81.1
Accrued taxes	**71.4**	50.8
Accrued interest	**41.5**	40.4
Accrued compensation	**33.7**	27.8
Long-term debt due within one year	**499.9**	—
Other	**56.6**	33.8
Total current liabilities	**1,051.8**	575.8
LONG-TERM DEBT	**3,498.4**	3,996.5
DEFERRED CREDITS AND OTHER LIABILITIES		
Accrued benefit obligations	**70.0**	75.1
Deferred income taxes	**1,244.0**	1,000.4
Deferred investment tax credits	**13.6**	12.8
Regulatory liabilities	**1,178.7**	1,231.1
Other	**179.4**	193.5
Total deferred credits and other liabilities	**2,685.7**	2,512.9
Total liabilities	**7,235.9**	7,085.2
COMMITMENTS AND CONTINGENCIES (NOTE 13)		
STOCKHOLDER'S EQUITY		
Common stockholder's equity	**1,574.0**	1,571.7
Retained earnings	**3,423.9**	3,031.1
Total stockholder's equity	**4,997.9**	4,602.8
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	**$ 12,233.8**	$ 11,688.0

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)

(In millions)	Shares Outstanding	Common Stock	Premium on Common Stock	Retained Earnings	Total
Balance at December 31, 2021	40.4	$ 100.9	$ 1,470.8	$ 3,031.1	$ 4,602.8
Net income	**—**	**—**	**—**	**39.0**	**39.0**
Stock-based compensation	**—**	**—**	**0.8**	**—**	**0.8**
Balance at March 31, 2022	**40.4**	**$ 100.9**	**$ 1,471.6**	**$ 3,070.1**	**$ 4,642.6**
Net income	**—**	**—**	**—**	**100.7**	**100.7**
Stock-based compensation	**—**	**—**	**0.7**	**—**	**0.7**
Balance at June 30, 2022	**40.4**	**$ 100.9**	**$ 1,472.3**	**$ 3,170.8**	**$ 4,744.0**
Net income	**—**	**—**	**—**	**253.1**	**253.1**
Stock-based compensation	**—**	**—**	**0.8**	**—**	**0.8**
Balance at September 30, 2022	**40.4**	**$ 100.9**	**$ 1,473.1**	**$ 3,423.9**	**$ 4,997.9**
Balance at December 31, 2020	40.4	$ 100.9	$ 938.6	$ 2,936.1	$ 3,975.6
Net income	—	—	—	11.2	11.2
Capital contribution from OGE Energy	—	—	530.0	—	530.0
Stock-based compensation	—	—	0.5	—	0.5
Balance at March 31, 2021	40.4	$ 100.9	$ 1,469.1	$ 2,947.3	$ 4,517.3
Net income	—	—	—	85.1	85.1
Dividends declared on common stock	—	—	—	(45.0)	(45.0)
Stock-based compensation	—	—	0.6	—	0.6
Balance at June 30, 2021	40.4	$ 100.9	$ 1,469.7	$ 2,987.4	$ 4,558.0
Net income	—	—	—	223.8	223.8
Dividends declared on common stock	—	—	—	(220.0)	(220.0)
Stock-based compensation	—	—	0.6	—	0.6
Balance at September 30, 2021	40.4	$ 100.9	$ 1,470.3	$ 2,991.2	$ 4,562.4

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.

	OGE Energy	OG&E
Note 1. Summary of Significant Accounting Policies	X	X
Note 2. Accounting Pronouncements	X	X
Note 3. Revenue Recognition	X	X
Note 4. Related Party Transactions	X	X
Note 5. Fair Value Measurements	X	X
Note 6. Stock-Based Compensation	X	X
Note 7. Income Taxes	X	X
Note 8. Common Equity	X	
Note 9. Long-Term Debt	X	X
Note 10. Short-Term Debt and Credit Facilities	X	X
Note 11. Retirement Plans and Postretirement Benefit Plans	X	X
Note 12. Report of Business Segments	X	
Note 13. Commitments and Contingencies	X	X
Note 14. Rate Matters and Regulation	X	X

1. Summary of Significant Accounting Policies

Organization

OGE Energy is a holding company with investments in energy and energy services providers offering physical delivery and related services for electricity in Oklahoma and western Arkansas. Prior to September 30, 2022, OGE Energy also held investments in Enable and Energy Transfer, which offered natural gas, crude oil and NGL services. OGE Energy reports these activities through two business segments: (i) electric utility and (ii) natural gas midstream operations. 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. For periods prior to the December 2, 2021 closing of the Enable and Energy Transfer merger, OGE Energy accounted for its investment in Enable as an equity method investment and reported it within OGE Energy's natural gas midstream operations segment. For the period of December 2, 2021 through September 30, 2022, OGE Energy accounted for its investment in the Energy Transfer units it acquired in the merger as an investment in equity securities, as further discussed below. As of September 30, 2022, OGE Energy has sold all of its Energy Transfer limited partner units, becoming primarily an electric utility.

Electric Utility Operations. OGE Energy's electric utility operations are conducted through OG&E, which generates, transmits, distributes and sells electric energy in Oklahoma and western Arkansas. 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 a wholly-owned subsidiary of OGE Energy. OG&E is the largest electric utility in Oklahoma, and its franchised service territory 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.

Natural Gas Midstream Operations. OGE Energy's natural gas midstream operations segment includes OGE Energy's investment in Energy Transfer's equity securities acquired in the merger and legacy Enable seconded employee pension and postretirement costs. Prior to OGE Energy's sale of all Energy Transfer limited partner units, the investment in Energy Transfer's equity securities was held through wholly-owned subsidiaries and ultimately OGE Holdings.

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, 2022 and December 31, 2021, the results of the Registrants' operations for the three and nine months ended September 30, 2022 and 2021 and the Registrants' cash flows for the nine months ended September 30, 2022 and 2021 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, 2022 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, 2022 are not necessarily indicative of the results that may be expected for the year ending December 31, 2022 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' 2021 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 utility, 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, 2022**		December 31, 2021
REGULATORY ASSETS				
Current:				
Oklahoma fuel clause under recoveries	**$**	**467.0**	$	140.4
Arkansas fuel clause under recoveries		**40.2**		11.5
SPP cost tracker under recovery (A)		**0.2**		9.3
Oklahoma Energy Efficiency Rider under recoveries (A)		**—**		11.7
Other (A)		**6.7**		9.7
Total current regulatory assets	**$**	**514.1**	$	182.6
Non-current:				
Oklahoma Winter Storm Uri costs	**$**	**—**	$	747.9
Oklahoma deferred storm expenses		**203.3**		172.8
Benefit obligations regulatory asset		**99.1**		109.2
Arkansas Winter Storm Uri costs		**80.6**		88.9
Pension tracker		**47.6**		42.9
Sooner Dry Scrubbers		**18.3**		18.9
Arkansas deferred pension expenses		**11.8**		12.1
Unamortized loss on reacquired debt		**8.3**		8.9
COVID-19 impacts		**8.0**		8.2
Frontier Plant deferred expenses		**5.6**		6.7
Smart Grid		**0.3**		3.9
Other		**11.0**		10.4
Total non-current regulatory assets	**$**	**493.9**	$	1,230.8
REGULATORY LIABILITIES				
Current:				
Oklahoma investment tax credit rider under credit (B)	**$**	**5.3**	$	—
Oklahoma Energy Efficiency Rider over recoveries (B)		**5.2**		—
Other (B)		**1.5**		2.5
Total current regulatory liabilities	**$**	**12.0**	$	2.5
Non-current:				
Income taxes refundable to customers, net	**$**	**904.2**	$	930.7
Accrued removal obligations, net		**272.5**		296.8
Other		**2.0**		3.6
Total non-current regulatory liabilities	**$**	**1,178.7**	$	1,231.1

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

The Oklahoma Winter Storm Uri regulatory asset was fully recovered in July 2022 through OG&E's receipt of securitization funds from the ODFA, as further discussed in Note 14.

As a result of the Oklahoma general rate review order received in September 2022, OG&E removed state investment tax credits from base rates and now provides these credits to customers through a rider, effective July 1, 2022, which can either result in a regulatory asset or regulatory liability based on the differential between estimated and actual investment tax credits included in the rider.

OG&E recovers program costs related to the Energy Efficiency Program in Oklahoma through the Energy Efficiency Rider, which operates on a three-year program cycle. The current program cycle, which runs through 2024, includes 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.

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 12-month 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, such as in response to COVID-19 impacts. 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. 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.

Investment in Equity Securities of Energy Transfer

For the period of December 2, 2021 through September 30, 2022, OGE Energy accounted for its investment in Energy Transfer's equity securities as an equity investment with a readily determinable fair value under ASC 321, "Investments – Equity Securities." As of September 30, 2022, OGE Energy has sold all of its 95.4 million Energy Transfer limited partner units, resulting in pre-tax net proceeds of $1,067.2 million. Prior to exiting its Energy Transfer investment, OGE Energy presented the Energy Transfer equity securities at fair value in its balance sheet. OGE Energy presents realized gains and losses of the equity securities, as well as dividend income from the investment, within the Other Income (Expense) section in its statement of income, as appropriate. During the three and nine months ended September 30, 2022, OGE Energy recognized gains of $39.4 million and $282.1 million, respectively, related to its investment in Energy Transfer's equity securities. During the three and nine months ended September 30, 2022, OGE Energy received distributions of $4.0 million and $34.0 million, respectively, from Energy Transfer, which are presented within Other Income in OGE Energy's 2022 condensed consolidated income statement.

Investment in Unconsolidated Affiliates (Enable)

For more information concerning OGE Energy's former equity method investment in Enable, including the merger transaction with Energy Transfer and OGE Energy's previous accounting for its investment in Enable, see Notes 1 and 5 within "Item 8. Financial Statements and Supplementary Data" in OGE Energy's 2021 Form 10-K. Prior to December 2, 2021, OGE Energy's investment in Enable was considered to be a variable interest entity; however, OGE Energy was not considered the primary beneficiary of Enable. Under the equity method of accounting, the investment was adjusted each period for contributions made, distributions received and OGE Energy's share of the investee's comprehensive income as adjusted for basis differences. In this Form 10-Q, Enable activity is included for the relevant portion of OGE Energy's 2021 information presented through December 2, 2021.

OGE Energy considered distributions received from Enable which did not exceed cumulative equity in earnings subsequent to the date of investment to be a return on investment and were classified as operating activities in the statements of cash flows. OGE Energy considered distributions received from Enable in excess of cumulative equity in earnings subsequent to the date of investment to be a return of investment and are classified as investing activities in the statements of cash flows. Distributions received from Enable were $18.3 million and $55.0 million during the three and nine months ended September 30, 2021, respectively.

The following table presents a reconciliation of OGE Energy's equity in earnings of unconsolidated affiliates for the three and nine months ended September 30, 2021.

(In millions)	Three Months Ended	Nine Months Ended
Enable net income	$ 107.0	$ 341.0
OGE Energy's percent ownership at period end	25.5 %	25.5 %
OGE Energy's portion of Enable net income	$ 27.5	$ 87.0
Amortization of basis difference and dilution recognition (A)	13.7	40.9
Equity in earnings of unconsolidated affiliates	$ 41.2	$ 127.9

(A) Includes loss on dilution, net of proportional basis difference recognition.

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, 2022 and 2021. 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, 2021	$ (26.1)	$ 1.3	$ (24.8)
Other comprehensive income (loss) before reclassifications	**—**	**—**	**—**
Amounts reclassified from accumulated other comprehensive income	**1.0**	**(0.1)**	**0.9**
Settlement cost	**9.5**	**—**	**9.5**
Balance at September 30, 2022	**$ (15.6)**	**$ 1.2**	**$ (14.4)**

(In millions)	Pension Plan and Restoration of Retirement Income Plan	Postretirement Benefit Plans	Other Comprehensive Gain (Loss) from Unconsolidated Affiliates	Total
Balance at December 31, 2020	$ (34.1)	$ 3.3	$ (1.3)	$ (32.1)
Other comprehensive income before reclassifications	—	—	0.6	0.6
Amounts reclassified from accumulated other comprehensive income (loss)	1.3	(0.9)	—	0.4
Settlement cost	4.8	—	—	4.8
Balance at September 30, 2021	$ (28.0)	$ 2.4	$ (0.7)	$ (26.3)

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, 2022 and 2021.

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)	**2022**	2021	**2022**	2021	
Amortization of Pension Plan and Restoration of Retirement Income Plan items:					
Actuarial losses	**$ (0.4)**	$ (0.6)	**$ (1.2)**	$ (1.8)	(A)
Prior service cost	**(0.1)**	(0.1)	**(0.2)**	(0.1)	(A)
Settlement cost	**(1.9)**	(1.4)	**(12.4)**	(6.7)	(A)
	(2.4)	(2.1)	**(13.8)**	(8.6)	Income Before Taxes
	(0.6)	(0.5)	**(3.3)**	(2.5)	Income Tax Expense
	$ (1.8)	$ (1.6)	**$ (10.5)**	$ (6.1)	Net Income
Amortization of postretirement benefit plans items:					
Prior service credit	**$ 0.2**	$ 0.4	**$ 0.2**	$ 1.3	(A)
Actuarial losses	**—**	—	**—**	(0.1)	(A)
	0.2	0.4	**0.2**	1.2	Income Before Taxes
	0.1	0.1	**0.1**	0.3	Income Tax Expense
	$ 0.1	$ 0.3	**$ 0.1**	$ 0.9	Net Income
Total reclassifications for the period, net of tax	**$ (1.7)**	$ (1.3)	**$ (10.4)**	$ (5.2)	Net Income

(A) These accumulated other comprehensive income (loss) components are included in the computation of net periodic benefit cost (see Note 11 for additional information).

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation.

2. Accounting Pronouncements

In November 2021, the Financial Accounting Standards Board issued ASU 2021-10, "Government Assistance (Topic 832) Disclosures by Business Entities about Government Assistance." This standard requires additional annual disclosures when a business receives government assistance and uses a grant or contribution accounting model by analogy to other accounting guidance such as the grant model under International Accounting Standards 20, "Accounting for Government Grants and Disclosures of Government Assistance" and GAAP ASC 958-605, "Not-for-Profit Entities - Revenue Recognition." The standard was effective January 1, 2022, and the Registrants adopted this standard prospectively. As further discussed in Note 14, the ODFA issued securitization bonds in July 2022, and, in connection with this securitization transaction, OG&E received approximately $750 million from the ODFA to fund the extreme fuel and purchased power costs incurred by OG&E during Winter Storm Uri. The Registrants accounted for this transaction by analogy to the grant model under International Accounting Standards 20, as the Registrants believe there is no specific GAAP guidance directly applicable to the Registrants' facts and circumstances. The Registrants recorded the receipt of proceeds from the ODFA and removal of the Oklahoma Winter Storm Uri regulatory asset by debiting Cash and Cash Equivalents and crediting Regulatory Assets in their 2022 condensed balance sheets. Further, this transaction is reflected within Operating Activities in the Registrants' 2022 condensed statements of cash flows.

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 Utility) 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)	**2022**	2021	**2022**	2021
Residential	**$ 512.3**	$ 365.5	**$ 1,028.4**	$ 1,112.2
Commercial	**305.5**	203.4	**627.0**	619.2
Industrial	**109.8**	79.9	**248.6**	264.1
Oilfield	**101.8**	68.0	**234.0**	257.5
Public authorities and street light	**109.8**	75.0	**228.9**	235.1
System sales revenues	**1,139.2**	791.8	**2,366.9**	2,488.1
Provision for tax refund	**0.9**	—	**(1.8)**	—
Integrated market	**69.8**	17.2	**135.6**	447.6
Transmission	**36.9**	30.8	**105.6**	103.8
Other	**3.8**	8.4	**13.4**	(5.8)
Revenues from contracts with customers (A)	**$ 1,250.6**	$ 848.2	**$ 2,619.7**	$ 3,033.7

(A) 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. Operating revenues for the nine months ended September 30, 2021 significantly increased due to increased fuel, purchased power and direct transmission expenses, which are generally recoverable from customers, as a result of Winter Storm Uri. For further discussion, see Note 14 and "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations."

4. Related Party Transactions

OGE Energy charges operating costs to OG&E, and prior to December 2, 2021, charged operating costs to Enable, based on several factors. Operating costs directly related to OG&E and/or Enable 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 and OG&E

OGE Energy charged operating costs to OG&E of $31.7 million and $32.2 million during the three months ended September 30, 2022 and 2021, respectively, and $97.8 million and $101.3 million during the nine months ended September 30, 2022 and 2021, respectively.

OGE Energy and Enable

Prior to December 2, 2021, OGE Energy and Enable were parties to several agreements whereby OGE Energy provided specified support services to Enable, such as certain information technology, payroll and benefits administration. Under these agreements, OGE Energy charged operating costs to Enable of $0.1 million and $0.3 million during the three and nine months ended September 30, 2021, respectively. OGE Energy had accounts receivable from Enable for amounts billed for support services of $0.3 million as of December 31, 2021, which is included in Accounts Receivable in OGE Energy's 2021 consolidated balance sheet.

OG&E and Enable

Enable provided gas transportation services to OG&E pursuant to agreements that granted Enable the responsibility of delivering natural gas to OG&E's generating facilities and performing an imbalance service. With this imbalance service, in accordance with the cash-out provision of the contract, OG&E compensated Enable when Enable's deliveries exceeded OG&E's pipeline nominations. Enable compensated OG&E when OG&E's pipeline nominations exceeded Enable's deliveries. Upon the closing of the merger between Enable and Energy Transfer, these contracts were assumed by Energy Transfer. The following table presents summarized related party transactions between OG&E and Enable during the three and nine months ended September 30, 2021.

(In millions)	Three Months Ended	Nine Months Ended
Operating revenues:		
Electricity to power electric compression assets	$ 4.1	$ 10.0
Fuel, purchased power and direct transmission expense:		
Natural gas transportation services	$ 9.4	$ 23.4
Natural gas purchases (sales)	$ (7.7)	$ (28.3)

5. 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).

OG&E had no financial instruments measured at fair value on a recurring basis at September 30, 2022 and December 31, 2021. The following table presents OGE Energy's previous financial instrument measured at fair value on a recurring basis and the carrying amount and fair value of the Registrants' current financial instruments at September 30, 2022 and December 31, 2021, as well as the classification level within the fair value hierarchy. As of September 30, 2022, OGE Energy had sold all of the Energy Transfer limited partner units it received as a result of the merger transaction between Enable and Energy Transfer in December 2021.

	September 30, 2022		December 31, 2021		
(In millions)	**Carrying Amount**	**Fair Value**	Carrying Amount	Fair Value	**Classification**
Financial instrument measured at fair value on a recurring basis:					
OGE Energy investment in Energy Transfer's equity securities	**$ —**	**$ —**	$ 785.1	$ 785.1	Level 1
Financial instruments for which fair value is only disclosed:					
Long-term Debt (including Long-term Debt due within one year):					
OGE Energy Senior Notes	**$ 500.0**	**$ 486.8**	$ 499.9	$ 497.8	Level 2
OGE Energy Term Loan	**$ 49.8**	**$ 50.0**	$ —	$ —	Level 2
OG&E Senior Notes	**$ 3,853.6**	**$ 3,449.4**	$ 3,851.8	$ 4,460.2	Level 2
OG&E Industrial Authority Bonds	**$ 135.4**	**$ 135.4**	$ 135.4	$ 135.4	Level 2
OG&E Tinker Debt	**$ 9.3**	**$ 7.1**	$ 9.3	$ 10.0	Level 3

6. 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, 2022 and 2021 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)	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Performance units - total shareholder return	**$ 1.7**	$ 1.9	**$ 5.3**	$ 5.8	**$ 0.6**	$ 0.5	**$ 1.7**	$ 1.4
Restricted stock units	**0.6**	0.4	**1.6**	1.3	**0.2**	0.1	**0.6**	0.2
Total compensation expense	**$ 2.3**	$ 2.3	**$ 6.9**	$ 7.1	**$ 0.8**	$ 0.6	**$ 2.3**	$ 1.6
Income tax benefit	**$ 0.5**	$ 0.6	**$ 1.7**	$ 1.8	**$ 0.2**	$ 0.1	**$ 0.6**	$ 0.4

During the nine months ended September 30, 2022, OGE Energy issued 27,278 shares of new common stock pursuant to OGE Energy's Stock Incentive Plan and issued an immaterial amount of treasury stock to satisfy payouts of restricted stock unit grants to the Registrants' employees.

7. 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 2018. 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. Additionally, OG&E earned federal tax credits associated with production from its wind facilities through January 2022. Oklahoma production and investment state tax credits are also earned on investments in electric and solar generating facilities which further reduce OG&E's effective tax rate.

8. Common Equity

Automatic Dividend Reinvestment and Stock Purchase Plan

OGE Energy issued no shares of common stock under its Automatic Dividend Reinvestment and Stock Purchase Plan during the three and nine months ended September 30, 2022.

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)	**2022**	2021	**2022**	2021
Net income	**$ 262.8**	$ 252.5	**$ 615.4**	$ 418.1
Average common shares outstanding:				
Basic average common shares outstanding	**200.2**	200.2	**200.2**	200.1
Effect of dilutive securities:				
Contingently issuable shares (performance and restricted stock units)	**0.7**	0.2	**0.5**	0.2
Diluted average common shares outstanding	**200.9**	200.4	**200.7**	200.3
Basic earnings per average common share	**$ 1.31**	$ 1.26	**$ 3.07**	$ 2.09
Diluted earnings per average common share	**$ 1.31**	$ 1.26	**$ 3.07**	$ 2.09
Anti-dilutive shares excluded from earnings per share calculation	**—**	—	**—**	—

9. Long-Term Debt

At September 30, 2022, the Registrants were in compliance with all of their debt agreements.

In May 2022, OGE Energy entered into a $100.0 million floating rate unsecured three-year credit agreement, of which $50.0 million is considered a revolving loan and $50.0 million is considered a term loan, and borrowed the full $50.0 million term loan, in order to preserve general financial flexibility within the company. Advances under this agreement were used to refinance existing indebtedness and for working capital and general corporate purposes of OGE Energy. The credit agreement, under certain circumstances, may be increased to a maximum commitment limit of $135.0 million and contains substantially the same covenants as OGE Energy's existing $550.0 million revolving credit agreement. The credit agreement is scheduled to terminate on May 24, 2025. At September 30, 2022, the weighted-average interest rate for the amount drawn on the term loan under this credit agreement was 3.23 percent during the quarter.

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)
0.11%	-	2.65%	Garfield Industrial Authority, January 1, 2025	$ 47.0
0.11%	-	2.60%	Muskogee Industrial Authority, January 1, 2025	32.4
0.11%	-	2.65%	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 in the condensed balance sheets. OG&E believes that it has sufficient liquidity to meet these obligations.

10. Short-Term Debt and Credit Facilities

The Registrants borrow on a short-term basis, as necessary, by the issuance of commercial paper and by borrowings under their revolving credit agreements. OGE Energy also borrows under term credit agreements maturing in one year or less, as necessary. OGE Energy had no short-term debt at September 30, 2022 compared to $486.9 million of short-term debt at December 31, 2021.

The following table presents information regarding the Registrants' revolving credit agreements at September 30, 2022.

Entity	Aggregate Commitment	Amount Outstanding (A)	Weighted-Average Interest Rate	Expiration
	(In millions)			
OGE Energy (B)	$ 550.0	$ —	— % (F)	December 17, 2026
OGE Energy (C)	50.0	—	— % (F)	May 24, 2025
OG&E (D)(E)	550.0	0.4	1.15 % (F)	December 17, 2026
Total	$ 1,150.0	$ 0.4	1.15 %	

(A) Includes direct borrowings under the revolving credit agreements, commercial paper borrowings and letters of credit at September 30, 2022.
(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) See Note 9 for further information about this 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 17, 2026. At September 30, 2022, there were $47.6 million in 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 $800.0 million in short-term borrowings at any one time for the two-year period ending December 31, 2022. OG&E has requested approval from the FERC to incur up to $1.0 billion for the two-year period beginning January 1, 2023 and ending December 31, 2024 and expects to receive approval prior to the expiration of its current authority.

11. Retirement Plans and Postretirement Benefit Plans

In accordance with ASC Topic 715, "Compensation - Retirement Benefits," a one-time settlement charge is required to be recorded by an organization when lump sum payments or other settlements that relieve the organization from the responsibility for the pension benefit obligation during the plan year exceed the service cost and interest cost components of the organization's net periodic pension cost. During the nine months ended September 30, 2022, the Registrants experienced an increase in both the number of employees electing to retire and the amount of lump sum payments paid to such employees upon retirement, which resulted in the Registrants recording pension plan settlement charges as presented in the Pension Plan net periodic benefit cost tables below. The pension settlement charges did not require a cash outlay by the Registrants and did not increase total pension expense over time, as the charge was an acceleration of costs that otherwise would be recognized as pension expense in future periods.

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 (Expense) 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 (Expense) 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)	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Service cost	**$ 1.8**	$ 2.8	**$ 5.7**	$ 8.4	**$ 0.3**	$ 0.3	**$ 0.8**	$ 0.6
Interest cost	**4.1**	3.1	**11.8**	10.0	**—**	—	**0.1**	0.1
Expected return on plan assets	**(6.0)**	(8.5)	**(19.0)**	(25.6)	**—**	—	**—**	—
Amortization of net loss	**2.4**	2.3	**6.6**	7.0	**—**	—	**0.1**	0.1
Amortization of unrecognized prior service cost (A)	**—**	—	**—**	—	**0.1**	0.1	**0.2**	0.1
Settlement cost	**2.3**	3.7	**18.3**	35.4	**—**	1.7	**0.2**	2.1
Total net periodic benefit cost	**4.6**	3.4	**23.4**	35.2	**0.4**	2.1	**1.4**	3.0
Less: Amount paid by unconsolidated affiliates	**—**	(0.1)	**—**	(0.2)	**—**	—	**—**	—
Net periodic benefit cost	**$ 4.6**	$ 3.5	**$ 23.4**	$ 35.4	**$ 0.4**	$ 2.1	**$ 1.4**	$ 3.0

(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)	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Service cost	**$ 1.5**	$ 2.0	**$ 4.6**	$ 5.8	**$ —**	$ —	**$ —**	$ —
Interest cost	**3.1**	2.3	**9.0**	7.3	**—**	—	**—**	—
Expected return on plan assets	**(4.7)**	(6.2)	**(14.7)**	(18.5)	**—**	—	**—**	—
Amortization of net loss	**2.1**	1.7	**5.6**	5.2	**—**	—	**—**	0.1
Settlement cost	**0.4**	2.6	**6.1**	29.2	**—**	1.3	**—**	1.6
Total net periodic benefit cost	**2.4**	2.4	**10.6**	29.0	**—**	1.3	**—**	1.7
Plus: Amount allocated from OGE Energy	**0.4**	0.7	**2.6**	5.3	**0.4**	0.8	**1.1**	1.3
Net periodic benefit cost	**$ 2.8**	$ 3.1	**$ 13.2**	$ 34.3	**$ 0.4**	$ 2.1	**$ 1.1**	$ 3.0

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 for the three and nine months ended September 30, 2022 and 2021, the Registrants recognized the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2022**	2021	**2022**	2021
Increase of regulatory asset related to pension expense to maintain allowed recoverable amount in Oklahoma jurisdiction (A)	**$ 2.7**	$ 0.5	**$ 5.0**	$ 22.2
Deferral of pension expense related to pension settlement charges:				
Oklahoma jurisdiction (A)	**$ 0.3**	$ 4.4	**$ 7.0**	$ 33.3
Arkansas jurisdiction (A)	**$ 0.1**	$ 0.4	**$ 0.7**	$ 3.1

(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)	**2022**	2021	**2022**	2021	**2022**	2021	**2022**	2021
Service cost	**$ —**	$ 0.1	**$ 0.1**	$ 0.2	**$ —**	$ —	**$ 0.1**	$ 0.1
Interest cost	**0.9**	0.9	**2.7**	2.6	**0.7**	0.6	**2.0**	1.9
Expected return on plan assets	**(0.5)**	(0.4)	**(1.4)**	(1.4)	**(0.4)**	(0.4)	**(1.2)**	(1.3)
Amortization of net loss	**0.5**	0.7	**1.2**	2.1	**0.3**	0.6	**1.1**	2.0
Amortization of unrecognized prior service cost (A)	**(1.0)**	(1.8)	**(2.9)**	(5.2)	**(0.9)**	(1.2)	**(2.7)**	(3.7)
Total net periodic benefit cost	**(0.1)**	(0.5)	**(0.3)**	(1.7)	**(0.3)**	(0.4)	**(0.7)**	(1.0)
Less: Amount paid by unconsolidated affiliates (B)	**—**	(0.1)	**—**	(0.4)				
Plus: Amount allocated from OGE Energy (B)					**—**	(0.1)	**—**	(0.3)
Net periodic benefit cost	**$ (0.1)**	$ (0.4)	**$ (0.3)**	$ (1.3)	**$ (0.3)**	$ (0.5)	**$ (0.7)**	$ (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.
(B) "Amount paid by unconsolidated affiliates" is only applicable to OGE Energy. "Amount allocated from OGE Energy" is only applicable to OG&E.

In addition to the net periodic benefit income amounts recognized, as presented in the table above, for the postretirement benefit plans for the three and nine months ended September 30, 2022 and 2021, the Registrants recognized the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2022**	2021	**2022**	2021
Increase (decrease) of regulatory liability related to postretirement expense to maintain allowed recoverable amount in Oklahoma jurisdiction (A)	**$ (0.2)**	$ 0.1	**$ (0.4)**	$ 0.3

(A) Included in the Pension tracker, as presented in the regulatory assets and liabilities table in Note 1.

(In millions)	OGE Energy Three Months Ended September 30, 2022	2021	OGE Energy Nine Months Ended September 30, 2022	2021	OG&E Three Months Ended September 30, 2022	2021	OG&E Nine Months Ended September 30, 2022	2021
Capitalized portion of net periodic pension benefit cost	**$ 0.7**	$ 0.9	**$ 2.2**	$ 2.5	**$ 0.7**	$ 0.7	**$ 1.9**	$ 2.1
Capitalized portion of net periodic postretirement benefit cost	**$ 0.1**	$ 0.1	**$ 0.2**	$ 0.2	**$ —**	$ —	**$ 0.1**	$ 0.1

12. Report of Business Segments

OGE Energy reports its operations in two business segments: (i) the electric utility segment, which is engaged in the generation, transmission, distribution and sale of electric energy and (ii) natural gas midstream operations segment. Prior to the Enable and Energy Transfer merger closing on December 2, 2021, OGE Energy's natural gas midstream operations segment included its equity method investment in Enable. Subsequent to December 2, 2021, OGE Energy's natural gas midstream operations segment includes its investment in Energy Transfer's equity securities and legacy Enable seconded employee pension and postretirement costs. Other operations 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, 2022 and 2021.

Three Months Ended September 30, 2022	Electric Utility	Natural Gas Midstream Operations	Other Operations	Eliminations	Total
(In millions)					
Operating revenues	**$ 1,270.8**	**$ —**	**$ —**	**$ —**	**$ 1,270.8**
Fuel, purchased power and direct transmission expense	**673.8**	**—**	**—**	**—**	**673.8**
Other operation and maintenance	**121.5**	**10.5**	**(0.6)**	**—**	**131.4**
Depreciation and amortization	**122.4**	**—**	**—**	**—**	**122.4**
Taxes other than income	**24.5**	**0.1**	**0.7**	**—**	**25.3**
Operating income (loss)	**328.6**	**(10.6)**	**(0.1)**	**—**	**317.9**
Gain on equity securities	**—**	**39.4**	**—**	**—**	**39.4**
Other income (expense)	**5.6**	**(7.8)**	**2.6**	**(1.1)**	**(0.7)**
Interest expense	**40.2**	**—**	**3.1**	**(1.1)**	**42.2**
Income tax expense	**40.9**	**4.9**	**5.8**	**—**	**51.6**
Net income (loss)	**$ 253.1**	**$ 16.1**	**$ (6.4)**	**$ —**	**$ 262.8**
Total assets	**$ 12,233.8**	**$ 1.3**	**$ 933.9**	**$ (565.0)**	**$ 12,604.0**

Three Months Ended September 30, 2021	Electric Utility	Natural Gas Midstream Operations	Other Operations	Eliminations	Total
(In millions)					
Operating revenues	$ 864.4	$ —	$ —	$ —	$ 864.4
Fuel, purchased power and direct transmission expense	330.1	—	—	—	330.1
Other operation and maintenance	115.8	0.3	(0.7)	—	115.4
Depreciation and amortization	108.6	—	—	—	108.6
Taxes other than income	24.6	0.1	0.8	—	25.5
Operating income (loss)	285.3	(0.4)	(0.1)	—	284.8
Equity in earnings of unconsolidated affiliates	—	41.2	—	—	41.2
Other income (expense)	2.9	(0.5)	(0.2)	(0.1)	2.1
Interest expense	38.0	—	1.6	(0.1)	39.5
Income tax expense	26.4	9.5	0.2	—	36.1
Net income (loss)	$ 223.8	$ 30.8	$ (2.1)	$ —	$ 252.5
Investment in unconsolidated affiliates	$ —	$ 449.5	$ —	$ —	$ 449.5
Total assets	$ 11,597.9	$ 451.8	$ 293.3	$ (165.5)	$ 12,177.5

Nine Months Ended September 30, 2022	Electric Utility	Natural Gas Midstream Operations	Other Operations	Eliminations	Total
(In millions)					
Operating revenues	**$ 2,663.8**	**$ —**	**$ —**	**$ —**	**$ 2,663.8**
Fuel, purchased power and direct transmission expense	**1,322.8**	**—**	**—**	**—**	**1,322.8**
Other operation and maintenance	**355.3**	**11.7**	**(2.5)**	**—**	**364.5**
Depreciation and amortization	**341.4**	**—**	**—**	**—**	**341.4**
Taxes other than income	**74.6**	**0.2**	**2.7**	**—**	**77.5**
Operating income (loss)	**569.7**	**(11.9)**	**(0.2)**	**—**	**557.6**
Gain on equity securities	**—**	**282.1**	**—**	**—**	**282.1**
Other income	**6.0**	**13.3**	**2.6**	**(1.6)**	**20.3**
Interest expense	**118.2**	**—**	**8.1**	**(1.6)**	**124.7**
Income tax expense (benefit)	**64.7**	**56.2**	**(1.0)**	**—**	**119.9**
Net income (loss)	**$ 392.8**	**$ 227.3**	**$ (4.7)**	**$ —**	**$ 615.4**
Total assets	**$ 12,233.8**	**$ 1.3**	**$ 933.9**	**$ (565.0)**	**$ 12,604.0**

Nine Months Ended September 30, 2021	Electric Utility	Natural Gas Midstream Operations	Other Operations	Eliminations	Total
(In millions)					
Operating revenues	$ 3,072.4	$ —	$ —	$ —	$ 3,072.4
Fuel, purchased power and direct transmission expense	1,876.9	—	—	—	1,876.9
Other operation and maintenance	344.4	2.3	(2.8)	—	343.9
Depreciation and amortization	310.2	—	—	—	310.2
Taxes other than income	75.3	0.3	2.9	—	78.5
Operating income (loss)	465.6	(2.6)	(0.1)	—	462.9
Equity in earnings of unconsolidated affiliates	—	127.9	—	—	127.9
Other income (expense)	5.8	(1.2)	(0.8)	(0.9)	2.9
Interest expense	114.3	—	5.4	(0.9)	118.8
Income tax expense (benefit)	37.0	23.2	(3.4)	—	56.8
Net income (loss)	$ 320.1	$ 100.9	$ (2.9)	$ —	$ 418.1
Investment in unconsolidated affiliates	$ —	$ 449.5	$ —	$ —	$ 449.5
Total assets	$ 11,597.9	$ 451.8	$ 293.3	$ (165.5)	$ 12,177.5

13. Commitments and Contingencies

Except as set forth below, in Note 14 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 15 and 16 to the financial statements included in the Registrants' 2021 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 the Registrants 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. At the present time, based on currently available information, 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.

14. Rate Matters and Regulation

Except as set forth below, the circumstances set forth in Note 16 to the financial statements included in the Registrants' 2021 Form 10-K appropriately represent, in all material respects, the current status of the Registrants' regulatory matters.

Completed Regulatory Matters

APSC Proceedings

Arkansas 2021 Formula Rate Plan Filing

In October 2021, OG&E filed its fourth evaluation report under its Formula Rate Plan, and on February 1, 2022, OG&E, the APSC General Staff and the Office of the Arkansas Attorney General filed a non-unanimous joint settlement agreement, which included an annual electric revenue increase of $4.2 million. The only non-signatory to the settlement agreement agreed not to oppose the settlement. On March 4, 2022, the APSC issued a final order approving the non-unanimous settlement agreement, and new rates became effective April 1, 2022.

OCC Proceedings

Winter Storm Uri

In December 2021, the OCC approved a settlement agreement in a final financing order authorizing the issuance of securitization bonds in an amount up to $760.0 million, which included estimated finance costs and was subject to change for carrying costs, any updates from the SPP settlement process and actual securitization issuance costs. On July 20, 2022, the ODFA issued the securitization bonds consistent with the OCC's order.

In connection with the securitization transaction, the ODFA and OG&E entered into an agreement on July 20, 2022 whereby the ODFA purchased, and OG&E sold, the securitization property that was created pursuant to legislation enacted by the State of Oklahoma in April 2021 and the financing order received from the OCC in December 2021. Such securitization property includes the right to assess, impose, adjust, collect and receive funds, in the form of the winter event securitization charge, from OG&E's existing and future Oklahoma customers in amounts intended to be sufficient to pay the principal and interest and financing charges on the securitization bonds. On July 20, 2022, OG&E received proceeds of approximately $750 million for the sale of the securitization property, which represented the amount of the securitization bonds sold less the issuance costs. OG&E used these proceeds to fund the Oklahoma Winter Storm Uri regulatory asset by recovering the authorized extreme, extraordinary fuel and purchased power costs incurred during Winter Storm Uri, as well as carrying costs. Beginning August 1, 2022, OG&E acts as a servicer for collecting the funds from Oklahoma customers that are then submitted to the ODFA to repay the securitization bonds over 28 years.

2021 Oklahoma General Rate Review

In December 2021, OG&E filed a general rate review in Oklahoma seeking a rate increase of $163.5 million and a 10.2 percent return on equity based on a common equity percentage of 53.37 percent. The rate review was based on a September 30, 2021 test year and included a request for recovery of $1.2 billion of capital investment since the last general rate review. OG&E had the right to implement interim rates subject to refund beginning July 1, 2022 (180 days after the filing of its application on December 30, 2021). On July 1, 2022, OG&E implemented an annual interim rate increase of $30.0 million, subject to refund for amounts in excess of the rates approved by the OCC.

On September 8, 2022, the OCC approved a Joint Stipulation and Settlement Agreement that had been entered into by OG&E, the OCC Public Utility Division Staff, the Oklahoma Attorney General, the OG&E Shareholders Association, Oklahoma Industrial Energy Consumers and other intervenors. Non-signatory parties had agreed not to contest this agreement. Key terms of the agreement, as approved by the OCC, include, among others:

- A base rate revenue increase of $30.0 million;
- OG&E would issue a refund, over a 12-month period, for the tax expense savings arising from the reduction in the Oklahoma state corporate income tax rate from 6 percent to 4 percent for the period from January 1, 2022 through June 30, 2022, as well as amortize over five years the excess accumulated deferred income tax balance resulting from this corporate tax rate change;
- There would be no change in OG&E's current return on equity of 9.5 percent, and OG&E's requested capital structure based on a common equity percentage of 53.37 percent would be approved;

- OG&E would utilize depreciation rates based on the recommendations of the Oklahoma Attorney General with the exception of transmission and general plant accounts, which would be based on the depreciation rates recommended by the Oklahoma Industrial Energy Consumers;
- OG&E's Grid Enhancement Plan projects recorded as of March 31, 2022 would be considered prudent and be included in base rates;
- OG&E's Grid Enhancement Plan interim recovery would continue and updated terms include: (i) cost recovery through a rider mechanism will be limited to projects placed in service in 2022, 2023 and 2024, capped at a revenue requirement of $6.0 million for each annual investment plan and include communication, automation and technology systems projects, as well as certain weather hardening projects; and (ii) the rider mechanism will terminate by the issuance of a final order in OG&E's first general rate review following completion of projects included in the 2024 annual investment plan or no later than July 1, 2025;
- OG&E would amend several of its rider tariffs to incorporate the agreements of the stipulating parties; and
- Regulatory accounting treatments approved include, among other things, the establishment of a regulatory asset to defer operation and maintenance costs associated with OG&E's SAP S/4 HANA enterprise resource planning system project for consideration in future rate proceedings with the carrying cost accruing at OG&E's short-term cost of debt, the amortization of COVID-19 regulatory asset balance over five years and the amortization of over/under-recovery balance of the pension tracker over 15 years, which is a change from the previous five-year recovery period.

Due to the September 8, 2022 OCC approval of the rate increase of $30.0 million, no refund of interim rates was necessary.

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.

FERC Proceedings

Order for Sponsored Transmission Upgrades within SPP

Under 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 Open Access Transmission Tariff required the SPP to charge for these upgrades beginning in 2008, but the SPP had not been charging its customers for these upgrades due to information system limitations. However, the SPP had informed participants in the market that these charges would be forthcoming. In July 2016, the FERC granted the SPP's request to recover the charges not billed since 2008. The SPP subsequently billed OG&E for these charges and credited OG&E related to transmission upgrades that OG&E had sponsored, which resulted in OG&E being a net receiver of sponsored upgrade credits. The majority of these net credits were refunded to customers through OG&E's various rate riders that include SPP activity with the remaining amounts retained by OG&E.

Several companies that were net payers of Z2 charges sought rehearing of the FERC's July 2016 order; however, in November 2017, the FERC denied the rehearing requests. In January 2018, one of the impacted companies appealed the FERC's decision to the U.S. Court of Appeals for the District of Columbia Circuit. In July 2018, that court granted a motion requested by the FERC that the case be remanded back to the FERC for further examination and proceedings. In February 2019, the FERC reversed its July 2016 order and November 2017 rehearing denial, ruled that the SPP violated its tariff to charge for the 2008 through 2015 period in 2016, held that the SPP tariff provision that prohibited those charges could not be waived and ordered the SPP to develop a plan to refund the payments but not to implement the refunds until further ordered to do so. In response, in April 2019, OG&E filed a request for rehearing with the FERC, and in May 2019, OG&E filed a FERC 206 complaint against the SPP, alleging that the SPP's forced unwinding of the revenue credit payments to OG&E would violate the provisions of the Sponsored Upgrade Agreement and of the applicable tariff. OG&E's filing requested that the FERC rule that the SPP is not entitled to seek refunds or in any other way seek to unwind the revenue credit payments it had paid to OG&E pursuant to the Sponsored Upgrade Agreement. The SPP's response to OG&E's filing agreed that OG&E should be entitled to keep its Z2 payments and argued that the SPP should not be held responsible for those payments if refunds are ordered. Further, the SPP has requested the FERC to negotiate a global settlement with all impacted parties, including other project sponsors who, like OG&E, have also filed complaints at FERC contending that the payments they have received cannot properly be unwound.

In February 2020, the FERC denied OG&E's request for rehearing of its February 2019 order, denying the waiver and ruling that the SPP must seek refunds from project sponsors for Z2 payments for the 2008 through 2015 period and pay them back to transmission owners. The FERC also denied the SPP's request for a stay and for institution of settlement procedures. The FERC stated it would not institute settlement procedures unless parties on both sides of the matter requested them. The FERC did not rule on OG&E's complaint or the complaints of other project sponsors, or consider the SPP's refund plan. The FERC thus has not set any date for payment of refunds. In March 2020, OG&E petitioned the U.S. Court of Appeals for the District of Columbia Circuit for review of the FERC's order denying the waiver and requiring refunds. The court issued a decision on August 27, 2021, denying review and holding that the SPP was prohibited by the filed rate doctrine from imposing Z2 charges during the 2008 through 2015 historical period. The court further held that the FERC reasonably exercised its remedial authority to order the SPP to refund the retroactive upgrade charge. The court did not direct a time frame or procedures for the SPP to implement refunds. OG&E and the SPP filed a petition for rehearing of the court's decision, which was denied in October 2021. The court returned the matter to the FERC for action in accordance with its opinion in November 2021.

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 and would be subject to interest at the FERC-approved rate. The SPP has stated in filings it made with the FERC while the appeal was pending 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. The SPP filed an update on January 4, 2022 confirming that administering refunds would be complex and could take years unless the SPP is allowed to make certain simplifying assumptions. It also urged that all pending complaint proceedings, including four complaints against the SPP, be resolved before the refund process is ordered to begin. OG&E and other parties filed responses to the SPP report, and the matter remains pending at the FERC. 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, 2022, the Registrants have reserved $13.0 million plus estimated interest for a potential refund.

In January 2020, the FERC acted on 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, and rejected the proposal to the extent it would limit recovery to the amount of the upgrade sponsor's directly assigned upgrade costs with interest. The SPP resubmitted a proposal in April 2020 without this limited recovery, and with the alternative rate mechanism, and the FERC approved it in June 2020, effective July 1, 2020. No party sought rehearing of the order, and it is now final. This order 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, which includes the $13.0 million at issue in OG&E's appeal as discussed above, will continue to do so.

Incentive Adders for Transmission Rates

The FERC issued a NOPR in March 2020, and issued a supplemental NOPR in April 2021, proposing to update its transmission incentives policy. Among other things, the NOPR proposes (i) the current 50-basis point return on equity adder for RTO/ISO participation would be applicable only to transmitting utilities that join an RTO/ISO, and this incentive would only apply for the first three years in which the utility is an RTO/ISO member and (ii) transmitting utilities that have been members of an RTO/ISO for three years or more, such as OG&E, would be required to make a compliance filing to remove the existing return on equity adder from their rates. Currently, there is no specific deadline for the FERC to take further action, and it is unknown whether the FERC will address the RTO participation adder individually or as part of a larger order on transmission incentives.

APSC Proceedings

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. On April 1, 2021, OG&E filed with the APSC a Motion for Authority to Establish Special Regulatory Treatment within the Energy Cost Recovery Rider to Defer Extraordinary Fuel Costs Incurred Due to Winter Storm Uri. More specifically, OG&E's motion sought approval to defer, amortize and recover the extraordinary fuel costs over a ten-year period with a carrying charge of OG&E's pre-tax rate of return of 6.60 percent, through a special factor within OG&E's Energy Cost Recovery Rider beginning with the first billing cycle of May 2021. On April 13, 2021, the APSC issued an order allowing OG&E interim recovery at an interest rate equal to the customer deposit interest rate, which is currently 0.8 percent, over a period of ten years beginning with the first billing cycle of May 2021. Recovery is subject to a true-up after the APSC determines the appropriate allocation, length of recovery and carrying charge. On May 4, 2021, OG&E filed testimony further supporting its 10-year amortization period and a carrying charge of OG&E's pre-tax rate of return of 6.60 percent.

In April 2021, Arkansas enacted legislation to amend its storm recovery securitization statute to allow for both electric and gas utilities to recover through securitization extraordinary natural gas, fuel and purchased power costs caused by storms. In May 2021, the APSC approved OG&E's motion for suspension of procedural schedule to investigate and evaluate the potential securitization recovery of the Arkansas jurisdictional portion of the Winter Storm Uri costs.

On July 5, 2022, OG&E filed a motion to request recovery of the regulatory asset balance over 10 years using a weighted average cost of capital instead of through securitization. On July 15, 2022, the APSC Staff filed a response to OG&E's motion stating the Staff does not oppose OG&E's request for recovery using a weighted average cost of capital, as long as no other party to the case opposes. Subsequently, other intervenors have filed their opposition to OG&E using a weighted average cost of capital for recovery. On August 1, 2022, the APSC issued a procedural order to set a schedule for additional testimony, and a hearing on the merits is expected to be held on December 2, 2022. As of September 30, 2022, OG&E has deferred $80.6 million to a regulatory asset, as indicated in Note 1.

Arkansas 2021 Formula Rate Plan Filing - Extension

On May 18, 2022, the APSC issued an order granting OG&E's request for a five-year extension of the Formula Rate Plan Rider with certain terms and conditions, including continuation of OG&E's current return on equity of 9.5 percent and a change to OG&E's current debt-to-equity ratio of 50/50 percent to 55/45 percent. On June 17, 2022, OG&E filed a request for rehearing seeking reconsideration by the APSC of their decision to alter the Formula Rate Plan Rider's capital structure. On September 19, 2022, the APSC issued an order reversing its May 18, 2022 order and denying the extension of OG&E's Formula Rate Plan Rider. On September 20, 2022, the APSC Staff filed a motion for clarification for the extension denial, and OG&E, the Arkansas Attorney General and Arkansas River Valley Energy Consumers filed responses to the clarification. On September 30, 2022, the APSC issued an order clarifying that OG&E is authorized to file its 2022 and 2023 evaluation reports under the Formula Rate Plan Rider to true-up prior projected year rate adjustments. On October 28, 2022, Arkansas River Valley Energy Consumers and Walmart Inc. filed a request for rehearing of the APSC's September 30, 2022 order and asked the APSC to reverse its position and prohibit OG&E from making any further filings under its current Formula Rate Plan. On November 1, 2022, OG&E filed against the request for rehearing. Despite the denial of the extension request, the Formula Rate Plan Rider will continue until new rates are set in a future general rate review.

Arkansas 2022 Formula Rate Plan Filing

On October 3, 2022, OG&E filed its fifth evaluation report under its Formula Rate Plan, including a request to increase its Arkansas retail revenues by $8.5 million. If approved, new rates will be effective April 1, 2023.

OCC Proceedings

Oklahoma Retail Electric Supplier Certified Territory Act Causes

Several rural electric cooperative electricity suppliers have filed complaints with the OCC alleging that OG&E has violated the Oklahoma Retail Electric Supplier Certified Territory Act. OG&E believes it is lawfully serving customers specifically exempted from this act and has presented evidence and testimony to the OCC supporting its position. There have been five complaint cases initiated at the OCC, and the OCC has issued decisions on each of them. The OCC ruled in favor of the electric cooperatives in three of those cases and ruled in favor of OG&E in two of those cases. All five of those cases have been appealed to the Oklahoma Supreme Court, where they have been made companion cases but will be individually briefed and have individual final decisions.

If the Oklahoma Supreme Court ultimately were to find that some or all of the customers being served 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. The total amount of OG&E's plant investments made to serve the customers in all five cases is approximately $28.0 million, of which $11.7 million applies to the three cases where the OCC ruled in favor of the electric cooperatives. In addition to the evaluation of the recoverability of the investments, OG&E may also be required to reimburse certified territory suppliers for an amount of lost revenue. The amount of such lost revenue would depend on how the OCC calculates the revenue requirement but could range from approximately $17.4 million to $58.0 million for all five cases, of which $4.1 million to $7.0 million would apply to the three cases where the OCC ruled in favor of the electric cooperatives.

2021 Oklahoma Fuel Prudency

On July 1, 2022, the Public Utility Division Staff filed their application initiating the review of the 2021 fuel adjustment clause and prudence review. OG&E filed its Minimum Filing Requirements and Supporting Testimony on August 30, 2022, and responsive testimony is due January 6, 2023.

Fuel Cost Adjustment Show Cause

On September 29, 2022, the OCC Public Utility Division Staff initiated a cause to determine the appropriate methodology to recover OG&E's fuel clause under recovery balance of $424.0 million and how OG&E's fuel factors should be set going forward. The Staff requested that OG&E explain how it arrived at the noted under recovery balance, explain its fuel forecasting process, justify its amortization period of 24 months and explain the adequacy of its resource mix and fuel supply plans. Updated fuel factors were implemented by OG&E on October 1, 2022 to recover the balance from customers over 24 months. The Staff did not oppose OG&E's implementation of updated fuel factors on an interim basis and subject to refund. A hearing on the merits is scheduled to begin on November 3, 2022. A final order on this matter is expected by November 11, 2022, which would comply with the statutory requirement that an order be issued seven days post-hearing.

SPP Proceedings

Planning Reserve Margin and Performance Based Accreditation

On July 26, 2022, the SPP Board of Directors approved a planning reserve margin increase from 12 percent to 15 percent that each load serving entity, such as OG&E, must maintain. This change will be effective for the summer of 2023. At the same time, the SPP Board of Directors also approved a new unit accreditation methodology, which begins a phased implementation starting in the summer of 2024. As a result, OG&E is currently evaluating its plan to fill the incremental capacity needs brought about by these policy changes.

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

OGE Energy is a holding company with investments in energy and energy services providers offering physical delivery and related services for electricity in Oklahoma and western Arkansas. Prior to September 30, 2022, OGE Energy also held investments in Enable and Energy Transfer, which offered natural gas, crude oil and NGL services. OGE Energy reports these activities through two business segments: (i) electric utility and (ii) natural gas midstream operations. 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. For periods prior to the December 2, 2021 closing of the Enable and Energy Transfer merger, OGE Energy accounted for its investment in Enable as an equity method investment and reported it within OGE Energy's natural gas midstream operations segment. For the period of December 2, 2021 through September 30, 2022, OGE Energy accounted for its investment in the Energy Transfer units it acquired in the merger as an investment in equity securities. As of September 30, 2022, OGE Energy has sold all of its Energy Transfer limited partner units, becoming primarily an electric utility.

Electric Utility Operations. OGE Energy's electric utility operations are conducted through OG&E, which generates, transmits, distributes and sells electric energy in Oklahoma and western Arkansas. 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 a wholly-owned subsidiary of OGE Energy. OG&E is the largest electric utility in Oklahoma, and its franchised service territory 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.

Natural Gas Midstream Operations. OGE Energy's natural gas midstream operations segment includes OGE Energy's investment in Energy Transfer's equity securities acquired in the merger and legacy Enable seconded employee pension and postretirement costs. Prior to OGE Energy's sale of all Energy Transfer limited partner units, the investment in Energy Transfer's equity securities was held through wholly-owned subsidiaries and ultimately OGE Holdings. OGE Energy no longer has any ownership interest in natural gas midstream operations.

Overview

Strategy

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's vision for a more sustainable future includes protecting the environment through innovative solutions, serving the needs of customers by adopting cleaner energy, minimizing OGE Energy's reliance on freshwater resources and preserving the biodiversity of OGE Energy's region to reduce its environmental footprint.

OGE Energy is focused on creating long-term shareholder value by targeting the consistent growth of earnings per share of five to seven percent at the electric utility, 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. In the next five years, OGE Energy expects to continue to grow the dividend, ultimately targeting a dividend payout ratio of 65 to 70 percent. Over the next several years, OGE Energy expects earnings per share growth to exceed the dividend growth rate to help achieve this target. OGE Energy's financial objectives also include maintaining investment grade credit ratings and providing a strong and reliable dividend for shareholders.

OGE Energy's long-term sustainability is predicated on providing exceptional customer experiences, investing in grid improvements and increasingly cleaner generation resources, environmental stewardship, strong governance practices and caring for and supporting its members and communities.

Recent Developments

Winter Storm Uri - Oklahoma Securitization

In December 2021, the OCC approved a settlement agreement in a final financing order authorizing the issuance of securitization bonds in an amount up to $760.0 million, which included estimated finance costs and was subject to change for carrying costs, any updates from the SPP settlement process and actual securitization issuance costs. On July 20, 2022, the ODFA issued the securitization bonds consistent with the OCC's order, and OG&E received proceeds of approximately $750 million for the sale of securitization property to the ODFA. See Note 14 within "Item 1. Financial Statements" for further discussion.

2021 Oklahoma General Rate Review

On September 8, 2022, the OCC approved a Joint Stipulation and Settlement Agreement that had been entered into by OG&E, the OCC Public Utility Division Staff, the Oklahoma Attorney General, the OG&E Shareholders Association, Oklahoma Industrial Energy Consumers and other intervenors. Non-signatory parties had agreed not to contest this agreement. The agreement, as approved, provides, among other things, for a base rate revenue increase of $30.0 million. Additional key terms of the agreement are discussed in Note 14 within "Item 1. Financial Statements." On July 1, 2022, OG&E implemented an annual interim rate increase of $30.0 million, subject to refund for amounts in excess of the rates approved by the OCC. Due to the September 8, 2022 OCC approval of the rate increase of $30.0 million, no refund of interim rates was necessary.

Oklahoma Fuel Cost Adjustment Show Cause

On September 29, 2022, the OCC Public Utility Division Staff initiated a cause to determine the appropriate methodology to recover OG&E's fuel clause under recovery balance of $424.0 million and how OG&E's fuel factors should be set going forward. The Staff requested that OG&E explain how it arrived at the noted under recovery balance, explain its fuel forecasting process, justify its amortization period of 24 months and explain the adequacy of its resource mix and fuel supply plans. Updated fuel factors were implemented by OG&E on October 1, 2022 to recover the balance from customers over 24 months. The Staff did not oppose OG&E's implementation of updated fuel factors on an interim basis and subject to refund. A hearing on the merits is scheduled to begin on November 3, 2022, and a final order on this matter is expected by November 11, 2022.

Global Macroeconomic Pressures

Geopolitical events, including the ongoing global COVID-19 pandemic, and related governmental and business responses, continue to have an impact on the Registrants' operations, supply chains and end-user customers. The Registrants have experienced raw material inflation, logistical challenges and certain component shortages. Supply chain disruption, including the Anti-Dumping and Countervailing Duty review by the U.S. Department of Commerce, may result in delays in construction activities and equipment deliveries related to OGE Energy's capital projects. The timing and extent of the financial impact from these events are still uncertain, and the Registrants cannot predict the magnitude of the impact to the results of their business and results of operations.

OG&E's Regulatory Matters

Completed regulatory matters affecting current period results are discussed in Note 14 within "Item 1. Financial Statements."

Summary of OGE Energy Operating Results

Three Months Ended September 30, 2022 as compared to the Three Months Ended September 30, 2021

OGE Energy's net income was $262.8 million, or $1.31 per diluted share, during the three months ended September 30, 2022 as compared to $252.5 million, or $1.26 per diluted share, during the same period in 2021. The increase in net income of $10.3 million, or $0.05 per diluted share, is further discussed below.

- An increase in net income at OG&E of $29.3 million, or $0.14 per diluted share of OGE Energy's common stock, was primarily due to higher operating revenues driven by more favorable weather and revenues from the recovery of capital investments (excluding impacts of recoverable fuel, purchased power and direct transmission expense not impacting earnings), partially offset by higher income tax expense and higher depreciation and amortization expense due to an increase in depreciation rates effective as of July 1, 2022 resulting from the Oklahoma general rate review order received in September 2022, as well as additional assets being placed into service.
- A decrease in net income at OGE Holdings of $14.7 million, or $0.07 per diluted share of OGE Energy's common stock, was impacted by the elimination of OGE Energy's equity in earnings of Enable in 2022, which was driven by the merger of Enable and Energy Transfer closing in December 2021 and partially offset by a $39.4 million gain on OGE Energy's investment in Energy Transfer's equity securities.
- An increase in net loss from other operations (holding company) of $4.3 million, or $0.02 per diluted share of OGE Energy's common stock, was due to higher income tax expense, primarily from the reversal of an interim period consolidating tax benefit that was recorded in the first quarter of 2022, as OGE Energy has sold all of its Energy Transfer limited partner units.

Nine Months Ended September 30, 2022 as compared to the Nine Months Ended September 30, 2021

OGE Energy's net income was $615.4 million, or $3.07 per diluted share, during the nine months ended September 30, 2022 as compared to $418.1 million, or $2.09 per diluted share, during the same period in 2021. The increase in net income of $197.3 million, or $0.98 per diluted share, is further discussed below.

- An increase in net income at OGE Holdings of $126.4 million, or $0.63 per diluted share of OGE Energy's common stock, was primarily due to a $282.1 million pre-tax gain on OGE Energy's investment in Energy Transfer's equity securities and distributions received from Energy Transfer of $34.0 million, partially offset by the elimination of OGE Energy's equity in earnings of Enable in 2022, which was driven by the merger of Enable and Energy Transfer closing in December 2021, and higher income tax expense.
- An increase in net income at OG&E of $72.7 million, or $0.36 per diluted share of OGE Energy's common stock, was primarily due to higher operating revenues driven by more favorable weather and revenues from the recovery of capital investments (excluding impacts of recoverable fuel, purchased power and direct transmission expense not impacting earnings), partially offset by higher depreciation and amortization expense due to an increase in depreciation rates resulting from the Oklahoma general rate review order received in September 2022 and additional assets being placed into service as well as higher income tax expense.
- An increase in net loss from other operations (holding company) of $1.8 million, or $0.01 per diluted share of OGE Energy's common stock, was primarily due to an increase in net interest expense due to the long-term debt issuance in May 2021 and lower income tax benefit, partially offset by higher other income.

2022 Outlook

OG&E is projected to earn approximately $417.0 million to $425.0 million, or $2.08 to $2.12 per average diluted share, with a midpoint of $421.0 million, or $2.10 per average diluted share, in 2022. OG&E has significant seasonality in its earnings due to weather on a year over year basis. As indicated in its 2021 Form 10-K, OGE Energy did not issue guidance for its natural gas midstream operations segment and therefore did not issue 2022 consolidated earnings guidance. OGE Energy expects a loss of $2.0 million to $6.0 million, or $0.01 to $0.03 per average diluted share, at the holding company in 2022.

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, 2022 as compared to the same periods in 2021 and the Registrants' financial position at September 30, 2022. Due to seasonal fluctuations and other factors, the Registrants' operating results for the three and nine months ended September 30, 2022 are not necessarily indicative of the results that may be expected for the year ending December 31, 2022 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)	**2022**	2021	**2022**	2021
Net income	**$ 262.8**	$ 252.5	**$ 615.4**	$ 418.1
Basic average common shares outstanding	**200.2**	200.2	**200.2**	200.1
Diluted average common shares outstanding	**200.9**	200.4	**200.7**	200.3
Basic earnings per average common share	**$ 1.31**	$ 1.26	**$ 3.07**	$ 2.09
Diluted earnings per average common share	**$ 1.31**	$ 1.26	**$ 3.07**	$ 2.09
Dividends declared per common share	**$ 0.41410**	$ 0.41000	**$ 1.23410**	$ 1.21500

Results by Business Segment

	Three Months Ended September 30,		**Nine Months Ended September 30,**	
(In millions)	**2022**	2021	**2022**	2021
Net income (loss):				
OG&E (Electric Utility)	**$ 253.1**	$ 223.8	**$ 392.8**	$ 320.1
OGE Holdings (Natural Gas Midstream Operations)	**16.1**	30.8	**227.3**	100.9
Other operations (A)	**(6.4)**	(2.1)	**(4.7)**	(2.9)
OGE Energy net income	**$ 262.8**	$ 252.5	**$ 615.4**	$ 418.1

(A) Other operations primarily includes the operations of the holding company, other energy-related investments and consolidating eliminations.

The following discussion of results of operations by business segment includes intercompany transactions that are eliminated in OGE Energy's condensed consolidated financial statements.

OG&E (Electric Utility)

(Dollars in millions)	Three Months Ended September 30, **2022**	Three Months Ended September 30, 2021	Nine Months Ended September 30, **2022**	Nine Months Ended September 30, 2021
Operating revenues	**$ 1,270.8**	$ 864.4	**$ 2,663.8**	$ 3,072.4
Fuel, purchased power and direct transmission expense	**673.8**	330.1	**1,322.8**	1,876.9
Other operation and maintenance	**121.5**	115.8	**355.3**	344.4
Depreciation and amortization	**122.4**	108.6	**341.4**	310.2
Taxes other than income	**24.5**	24.6	**74.6**	75.3
Operating income	**328.6**	285.3	**569.7**	465.6
Allowance for equity funds used during construction	**2.4**	1.9	**4.6**	4.8
Other net periodic benefit income (expense)	**2.2**	(1.1)	**(1.0)**	(3.2)
Other income	**2.1**	2.4	**4.3**	5.2
Other expense	**1.1**	0.3	**1.9**	1.0
Interest expense	**40.2**	38.0	**118.2**	114.3
Income tax expense	**40.9**	26.4	**64.7**	37.0
Net income	**$ 253.1**	$ 223.8	**$ 392.8**	$ 320.1
Operating revenues by classification:				
Residential	**$ 523.1**	$ 374.0	**$ 1,049.4**	$ 1,131.5
Commercial	**311.6**	207.7	**640.8**	629.6
Industrial	**110.9**	81.1	**252.1**	267.5
Oilfield	**102.2**	68.7	**235.1**	259.6
Public authorities and street light	**111.6**	76.5	**233.6**	238.6
System sales revenues	**1,159.4**	808.0	**2,411.0**	2,526.8
Provision for tax refund	**0.9**	—	**(1.8)**	—
Integrated market	**69.8**	17.2	**135.6**	447.6
Transmission	**36.9**	30.8	**105.6**	103.8
Other	**3.8**	8.4	**13.4**	(5.8)
Total operating revenues	**$ 1,270.8**	$ 864.4	**$ 2,663.8**	$ 3,072.4
MWh sales by classification *(In millions)*				
Residential	**3.4**	3.2	**8.2**	7.7
Commercial	**2.4**	2.0	**5.9**	5.2
Industrial	**1.1**	1.2	**3.3**	3.2
Oilfield	**1.1**	1.1	**3.3**	3.1
Public authorities and street light	**1.0**	0.9	**2.4**	2.3
System sales	**9.0**	8.4	**23.1**	21.5
Integrated market	**0.4**	0.5	**0.9**	1.2
Total sales	**9.4**	8.9	**24.0**	22.7
Number of customers	**886,915**	876,739	**886,915**	876,739
Weighted-average cost of energy per kilowatt-hour *(In cents)*				
Natural gas (A)	**7.528**	4.160	**7.249**	12.902
Coal	**3.544**	1.974	**3.209**	1.901
Total fuel (A)	**6.150**	3.094	**5.569**	7.652
Total fuel and purchased power (A)	**6.834**	3.541	**5.254**	7.824
Degree days (B)				
Heating - Actual	**—**	—	**2,220**	2,357
Heating - Normal	**19**	19	**2,155**	2,039
Cooling - Actual	**1,566**	1,337	**2,305**	1,803
Cooling - Normal	**1,268**	1,268	**1,831**	1,850

(A) Decreased during the nine months ended September 30, 2022 primarily due to both elevated pricing from Winter Storm Uri and higher market prices related to increased natural gas prices in 2021.

(B) 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, which most recently occurred in mid-2021.

OG&E's net income increased $29.3 million, or 13.1 percent, and $72.7 million, or 22.7 percent, during the three and nine months ended September 30, 2022, respectively, as compared to the same periods in 2021. The following section discusses the primary drivers for the increases in net income during the three and nine months ended September 30, 2022, as compared to the same periods in 2021.

Operating revenues increased $406.4 million, or 47.0 percent, and decreased $408.6 million, or 13.3 percent, during the three and nine months ended September 30, 2022, respectively, primarily driven by the below factors.

	$ Change	
(In millions)	**Three Months Ended**	**Nine Months Ended**
Fuel, purchased power and direct transmission expense (A)	$ 343.7	$ (554.1)
Price variance (B)	26.1	59.3
Quantity impacts (includes weather) (C)	24.8	45.9
New customer growth	5.7	10.3
Wholesale transmission revenue (D)	5.4	0.4
Non-residential demand and related revenues	3.7	6.1
Industrial and oilfield sales	1.7	4.5
Other	1.4	3.8
Guaranteed Flat Bill Program (E)	(6.1)	15.2
Change in operating revenues	$ 406.4	$ (408.6)

(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, as further described below. 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 during both the three and nine months ended September 30, 2022 primarily due to the Oklahoma general rate review order received in September 2022, as well as impacted by Arkansas Formula Rate Plan rates. The increase for the nine months ended September 30, 2022 was also due to increased recovery through rider mechanisms, such as the Storm Cost Recovery Rider and the Oklahoma Production Tax Credit Rider.

(C) Increased primarily due to a 17.1 percent and 27.8 percent increase in cooling degree days during the three and nine months ended September 30, 2022, respectively.

(D) Increased during the three months ended September 30, 2022 primarily due to a reserve of $5.0 million plus estimated interest, which was recorded during the three months ended September 30, 2021, related to SPP transmission Z2 credits that are not passed through to customers through rider or formula rate mechanisms, as further discussed in Note 14 within "Item 1. Financial Statements."

(E) Decreased during the three months ended September 30, 2022 due to higher fuel losses during the third quarter of 2022 and increased during the nine months ended September 30, 2022 primarily due to the loss from the Guaranteed Flat Bill program in 2021 related to Winter Storm Uri. 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.

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 $343.7 million and decreased $554.1 million, or 29.5 percent, during the three and nine months ended September 30, 2022, respectively, primarily driven by the below factors.

	$ Change		% Change	
(In millions)	**Three Months Ended**	**Nine Months Ended**	**Three Months Ended**	**Nine Months Ended**
Fuel expense (A)	$ 142.9	$ (385.4)	76.3 %	(38.8)%
Purchased power costs:				
Purchases from SPP (B)	198.1	(173.0)	*	(22.3)%
Wind	0.1	4.7	0.8 %	11.9 %
Other	2.5	(0.3)	48.0 %	(3.0)%
Transmission expense	0.1	(0.1)	0.7 %	(0.1)%
Change in fuel, purchased power and direct transmission expense	$ 343.7	$ (554.1)		

*Change is greater than 100 percent.

(A) Increased during the three months ended September 30, 2022 primarily due to higher fuel prices and decreased during the nine months ended September 30, 2022 primarily due to inflated fuel costs in 2021 during Winter Storm Uri.

(B) Increased during the three months ended September 30, 2022 primarily due to higher market prices and an increase of 40.3 percent in MWhs purchased and decreased during the nine months ended September 30, 2022 primarily due to higher market prices in 2021 during Winter Storm Uri.

Other operation and maintenance expense increased $5.7 million, or 4.9 percent, and $10.9 million, or 3.2 percent, during the three and nine months ended September 30, 2022, respectively, primarily driven by the below factors.

	$ Change		% Change	
(In millions)	**Three Months Ended**	**Nine Months Ended**	**Three Months Ended**	**Nine Months Ended**
Payroll and benefits	$ 10.4	$ 19.2	16.4 %	10.3 %
Other	1.1	3.7	1.5 %	1.7 %
Fleet transportation	1.0	2.9	41.6 %	50.0 %
Materials and supplies	0.9	2.8	12.5 %	13.9 %
Capitalized labor	(7.7)	(17.7)	24.3 %	19.0 %
Change in other operation and maintenance expense	$ 5.7	$ 10.9		

Depreciation and amortization expense increased $13.8 million, or 12.7 percent, and $31.2 million, or 10.1 percent, during the three and nine months ended September 30, 2022, respectively, primarily due to an increase in depreciation rates effective as of July 1, 2022 resulting from the Oklahoma general rate review order received in September 2022, additional assets being placed into service and increased amortization of the regulatory asset related to storms.

Income tax expense increased $14.5 million, or 54.9 percent, and $27.7 million, or 74.9 percent, during the three and nine months ended September 30, 2022, respectively, reflecting additional income taxes primarily related to higher pre-tax income and decreased federal and state tax credit generation, partially offset by amortization of unfunded deferred taxes.

OGE Holdings (Natural Gas Midstream Operations)

On December 2, 2021, Energy Transfer completed its previously announced acquisition of Enable. Prior to the Energy Transfer and Enable merger closing, OGE Energy's natural gas midstream operations segment included its equity method investment in Enable, and subsequent to December 2, 2021, this segment includes OGE Energy's investment in Energy Transfer's equity securities and legacy Enable seconded employee pension and postretirement costs. Therefore, results of operations for the natural gas midstream operations segment are not comparable for the three and nine months ended September 30, 2022 compared to the three and nine months ended September 30, 2021. See "Investment in Equity Securities of Energy Transfer" in Note 1 within "Item 1. Financial Statements" for further discussion of the net proceeds from sales of

Energy Transfer's equity securities, realized gain on Energy Transfer's equity securities and dividend income recognized by OGE Energy for the three and nine months ended September 30, 2022. See Enable's Form 10-Q for the quarterly period ended September 30, 2021 for further discussion of the primary drivers for Enable's operating results for the three and nine months ended September 30, 2021.

OGE Holdings' income tax expense decreased $4.6 million, or 48.4 percent, during the three months ended September 30, 2022, as compared to the same period in 2021, primarily due to lower pre-tax income. OGE Holdings' income tax expense increased $33.0 million during the nine months ended September 30, 2022, as compared to the same period in 2021, primarily due to higher pre-tax income and state deferred tax adjustments related to OGE Energy's midstream investment in Energy Transfer subsequent to the merger, partially offset by tax adjustments from the sale of Energy Transfer limited partner units.

Liquidity and Capital Resources

Cash Flows

OGE Energy

	Nine Months Ended September 30,		2022 vs. 2021	
(Dollars in millions)	**2022**	2021	$ Change	% Change
Net cash provided from (used in) operating activities (A)	**$ 767.8**	$ (494.1)	$ 1,261.9	*
Net cash provided from (used in) investing activities (B)	**$ 372.9**	$ (546.9)	$ 919.8	*
Net cash (used in) provided from financing activities (C)	**$ (684.5)**	$ 1,041.4	$ (1,725.9)	*

* Change is greater than 100 percent.

(A) Changed primarily due to an increase in cash received from customers, the receipt of securitization funds from the ODFA and a decrease in vendor payments, including payments for fuel and purchased power costs related to Winter Storm Uri in 2021.

(B) Changed primarily due to proceeds from the sale of Energy Transfer's limited partner units, partially offset by increased investment in power delivery projects at OG&E.

(C) Changed primarily due to decreased proceeds from long-term debt reflective of the debt issuance in May 2021 and decreased short-term debt, which was used to provide additional liquidity for the fuel and purchased power costs incurred by OG&E related to Winter Storm Uri in 2021.

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, 2022 compared to December 31, 2021.

Cash and Cash Equivalents increased $456.2 million, primarily due to proceeds received from OGE Energy's sales of Energy Transfer limited partner units and OG&E's receipt of securitization funds from the ODFA, which OGE Energy intends to utilize for repayment of the senior notes due in May 2023.

Accounts Receivable and Accrued Unbilled Revenues increased $174.9 million, or 76.9 percent, primarily due to an increase in billings to OG&E's retail customers reflecting higher seasonal usage in September 2022 as compared to December 2021.

Fuel Inventories increased $44.7 million, primarily due to higher prices and volumes of coal and gas purchases.

Materials and Supplies, at Average Cost increased $39.8 million, or 33.8 percent, primarily due to increased inventory which is partly a result of the ongoing supply chain and inflation impacts of the current economic environment.

Fuel Clause Under Recoveries increased $355.3 million, primarily due to lower recoveries from OG&E retail customers as compared to the actual cost of fuel and purchased power. In October 2022, OG&E implemented updated fuel factors to begin recovery of the fuel under recovery balance, as further discussed in Note 14 within "Item 1. Financial Statements."

Other Current Assets increased $30.8 million, or 42.0 percent, primarily due to an increase in SPP deposits, partially offset by a decrease in under recovered riders.

Short-term Debt decreased $486.9 million, primarily due to the repayment of short-term borrowings used for general operating needs. OGE Energy borrows on a short-term basis, as necessary, by the issuance of commercial paper and borrowings under its revolving credit agreements and term credit agreements.

Accrued Taxes increased $210.9 million, primarily due to increased tax accruals resulting from the gain on sale of Energy Transfer limited partner units during 2022 coupled with the timing of ad valorem tax payments.

Accrued Compensation increased $6.3 million, or 16.7 percent, primarily due to increased labor accruals as a result of pay period timing differences.

Long-Term Debt Due Within One Year increased $999.9 million, primarily due to the reclassification of long-term debt that will mature in May 2023.

Other Current Liabilities increased $22.5 million, or 66.0 percent, primarily due to changes in amounts of taxes due, an increase in over recovered riders and SPP reserves.

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 and over 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.

Capital Expenditures

OGE Energy's estimates of capital expenditures for the years 2022 through 2026 are discussed in detail within "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Registrants' 2021 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 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' 2021 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 resultant customer benefits. OGE Energy is evaluating infrastructure investments incremental to the amounts identified in the Registrants' 2021 Form 10-K related to new generation capacity needs as outlined in OG&E's October 2021 IRP and recent changes to the SPP's planning reserve margin and resource capacity accreditation. The annual level of investments in the transmission and distribution system could also vary depending on the amount and timing of incremental generation capacity investments. Supply chain disruption may increase the risk of delays in construction activities and equipment deliveries related to OGE Energy's capital projects.

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. As further discussed below, in May 2022, OGE Energy entered into a $100.0 million floating rate unsecured three-year credit agreement, of which $50.0 million is considered a revolving loan. The following table presents information about OGE Energy's revolving credit agreements at September 30, 2022.

(Dollars in millions)		**September 30, 2022**
Balance of outstanding supporting letters of credit	$	0.4
Weighted-average interest rate of outstanding supporting letters of credit		1.15 %
Net available liquidity under revolving credit agreements, commercial paper borrowings and letters of credit	$	1,149.6
Balance of cash and cash equivalents	$	456.2

The following table presents information about OGE Energy's total short-term debt activity for the three and nine months ended September 30, 2022.

(Dollars in millions)		**Three Months Ended September 30, 2022**		**Nine Months Ended September 30, 2022**
Average balance of short-term debt	$	103.8	$	450.9
Weighted-average interest rate of average balance of short-term debt		2.06 %		0.97 %
Maximum month-end balance of short-term debt	$	—	$	731.5

OG&E has the necessary regulatory approvals to incur up to $800.0 million in short-term borrowings at any one time for the two-year period ending December 31, 2022. OG&E has requested approval from the FERC to incur up to $1.0 billion for the two-year period beginning January 1, 2023 and ending December 31, 2024 and expects to receive approval prior to the expiration of its current authority.

Long-Term Debt

In May 2022, OGE Energy entered into a $100.0 million floating rate unsecured three-year credit agreement, of which $50.0 million is considered a revolving loan and $50.0 million is considered a term loan, and borrowed the full $50.0 million term loan, in order to preserve general financial flexibility within the company. Advances under this agreement were used to refinance existing indebtedness and for working capital and general corporate purposes of OGE Energy. The credit agreement, under certain circumstances, may be increased to a maximum commitment limit of $135.0 million and contains substantially the same covenants as OGE Energy's existing $550.0 million revolving credit agreement. The credit agreement is scheduled to terminate on May 24, 2025. At September 30, 2022, the weighted-average interest rate for the amount drawn on the term loan under this credit agreement was 3.23 percent during the quarter.

OG&E expects to issue $300.0 million to $400.0 million in long-term debt in the first half of 2023 to help fund its capital investments.

Securitization of Oklahoma Winter Storm Uri Extreme Purchase Costs

As further discussed in Note 14 within "Item 1. Financial Statements," on July 20, 2022, the ODFA issued securitization bonds, and OG&E received proceeds of approximately $750 million for the sale of securitization property to the ODFA. OG&E used these proceeds to fund the Oklahoma Winter Storm Uri regulatory asset by recovering the authorized extreme, extraordinary fuel and purchased power costs incurred during Winter Storm Uri, as well as carrying costs.

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.

On May 17, 2022, S&P's Global Ratings revised their ratings outlook on both OGE Energy and OG&E from negative to stable and affirmed all of their ratings on both entities.

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.

Distributions by Energy Transfer

During the three and nine months ended September 30, 2022, OGE Energy received distributions of $4.0 million and $34.0 million, respectively, from Energy Transfer, which are presented within Other Income in OGE Energy's 2022 condensed consolidated income statement.

Sale of Energy Transfer's Equity Securities

As previously disclosed, OGE Energy intended to become primarily an electric utility by exiting its investment in Energy Transfer's equity securities. As of September 30, 2022, OGE Energy has sold all of its 95.4 million Energy Transfer limited partner units, resulting in pre-tax net proceeds of $1,067.2 million. OGE Energy intends to use these proceeds to help repay the $1.0 billion in senior notes due in May 2023.

Critical Accounting Policies and Estimates

The condensed financial statements and notes thereto contain information that is pertinent to Management's Discussion and Analysis. 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 for the Registrants include the determination of Pension Plan assumptions, income taxes, contingency reserves, asset retirement obligations, regulatory assets and liabilities, unbilled revenues and the allowance for uncollectible accounts receivable. 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' 2021 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. At the present time, based on available information, 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 13 and 14 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 OG&E's 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.

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. OG&E is 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.

OG&E is working cooperatively with federal and state environmental agencies to create emission limits for OG&E's operations that are consistent with legal requirements for protecting health and the environment while being cost effective for OG&E to implement. Although various court proceedings are pending that challenge the validity or stringency of rules issued by federal and state environmental agencies, OG&E is not currently a party to any of these proceedings. At this time, OG&E does not anticipate additional material capital expenditures for compliance with the existing rules.

The EPA revised the National Ambient Air Quality Standard 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 National Ambient Air Quality Standard in another state. In response to litigation, on April 6, 2022, the EPA published a proposed federal implementation plan under the Cross State Air Pollution Rule intended to reduce interstate NO_x emissions contributions. The federal implementation plan, which includes Oklahoma among 24 other states, proposes to limit the current emissions budgets over four years for certain generating units including ten of OG&E's units beginning in 2023. OG&E filed comments with the EPA on June 21, 2022 and is closely monitoring this issue; however, it is unknown at this time what, if any, potential material impacts will result from the EPA action.

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. 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.

OG&E continues to monitor these processes and their possible impact on its operations. Future rules could adopt additional reductions in the emissions budget for Oklahoma or the areas where OG&E's facilities are located. In particular, OG&E monitors possible changes in legal standards for emissions of greenhouse gases, including CO_2, sulfur hexafluoride and methane, including the 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 fully 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.

OG&E has reduced carbon dioxide emissions by over 40 percent compared to 2005 levels, and during the same period, emissions of ozone-forming NO_x have been reduced by approximately 70 percent and emissions of SO_2 have been reduced by approximately 85 percent. OG&E expects to further reduce carbon dioxide emissions to 50 percent of 2005 levels by 2030. To comply with the EPA rules, OG&E converted two coal-fired generating units at the Muskogee Station to natural gas, among other measures. OG&E's deployment of Smart Grid technology helps to reduce the peak load demand. OG&E is also deploying more renewable energy sources that do not emit greenhouse gases.

In October 2021, OG&E issued its most recent IRP to the OCC and APSC that proposes to expand its renewable generation fleet, including the development of additional solar resources. OG&E has leveraged its geographic position to develop renewable energy resources and completed transmission investments to deliver the renewable energy. The SPP has authorized the construction of transmission lines capable of bringing renewable energy out of the wind resource areas in western Oklahoma, the Texas Panhandle and western Kansas to load centers by planning for more transmission to be built in the area. In addition to increasing overall system reliability, these new transmission resources should provide greater access to additional wind resources that are currently constrained due to existing transmission delivery limitations.

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 pipeline projects, could be restricted or delayed, or OG&E could be required to implement expensive mitigation measures.

On June 1, 2021, the USFWS published a proposed rule to list two distinct population segments of the Lesser Prairie Chicken; the southern distinct population segment located in west Texas and eastern New Mexico is proposed as endangered status, and the northern distinct population located in northwest Texas, Oklahoma, Kansas and Colorado is proposed to be listed as threatened status with a 4(d) rule which would prohibit take of the chicken, such as destroying its habitat by building a transmission line or substation, without a permit or special authorization from the USFWS. The final rule for the listing decision is expected to occur in late 2022.

On November 9, 2021, the USFWS published a proposed rule to list the Alligator Snapping Turtle as threatened under the Endangered Species Act, along with a 4(d) rule that would provide conservation of the species. The habitat located within the OG&E service territory is limited to eastern Oklahoma and western Arkansas; however, the USFWS is proposing to exempt incidental take by industry for operation and maintenance and other routine activities that are conducted by using best management practices that reduce incidental take and conserve the habitat. The final rule for the listing decision is expected to occur in November 2022.

On March 23, 2022, the USFWS published a proposed rule to reclassify the Northern Long-Eared Bat as endangered under the Endangered Species Act. The historical habitat located within OG&E service territory is limited to eastern Oklahoma and western Arkansas. The final rule for the listing decision is expected to occur by March 2023.

On September 14, 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. OG&E is reviewing the proposal, and comments are due November 14, 2022.

OG&E is closely monitoring each of these issues 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.

Over 95 percent of the ash from OG&E's Muskogee and Sooner facilities was recovered and sold to the concrete and cement industries in the last three years, and in 2021, River Valley became OG&E's third power plant to enter an agreement to have its ash reused. Using ash in this way also helps cement manufacturers minimize their impact on the environment by avoiding the need to extract and process other natural resources. Based on estimates from the American Coal Ash Association, OG&E ash reuse helped avoid over three million tons of CO_2 emissions in the last 14 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. Compliance with this rule will occur by 2023; however, on April 12, 2017, the EPA granted a Petition for Reconsideration of the 2015 Rule. On October 13, 2020, the EPA published a final rule to revise the technology-based effluent limitations for flue gas desulfurization waste water and bottom ash transport water. On August 3, 2021, the EPA published notice in the Federal Register that it will undertake a supplemental rulemaking to revise the effluent limitation guidelines rule after completing its review of the October 2020 rule. The existing effluent limitation guidelines will remain in effect while the EPA undertakes this new rulemaking. OG&E is evaluating what, if any, compliance actions are needed but is not able to quantify with any certainty what costs may be incurred. OG&E expects to be able to provide a reasonable estimate of any material costs associated with the rule's implementation following issuance of the permit requirements from the State of Oklahoma.

Since the purchase of the Redbud facility in 2008, OG&E's average use of treated municipal effluent for all of the needed cooling water at Redbud and McClain is approximately 2.5 billion gallons per year. 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.

For further discussion regarding contingencies relating to environmental laws and regulations, see Note 13 within "Item 1. Financial Statements."

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' 2021 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' 2021 Form 10-K for a description of certain legal proceedings presently pending. Except as described in Note 14 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' 2021 Form 10-K, which are incorporated herein by reference.

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

None.

Item 6. Exhibits.

Exhibit No.	Description	OGE Energy	OG&E
10.01	Securitization Property Purchase and Sale Agreement dated as of July 20, 2022 by and between the Oklahoma Development Finance Authority, as Issuer, and Oklahoma Gas and Electric Company, as Seller. (Filed as Exhibit 10.01 to OGE Energy's Form 10-Q for the quarter ended June 30, 2022 (File No. 1-12579) 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 Schema Document.	X	X
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document.	X	X
101.LAB	Inline XBRL Taxonomy Label Linkbase Document.	X	X
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document.	X	X
101.DEF	Inline XBRL Definition Linkbase Document.	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 2, 2022

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 2, 2022

/s/ Sean Trauschke

Sean Trauschke
President and Chief Executive Officer

Exhibit 31.01

CERTIFICATIONS

I, W. Bryan Buckler, 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 2, 2022

/s/ W. Bryan Buckler

W. Bryan Buckler
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 2, 2022

/s/ Sean Trauschke

Sean Trauschke
President and Chief Executive Officer

Exhibit 31.02

CERTIFICATIONS

I, W. Bryan Buckler, 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 2, 2022

/s/ W. Bryan Buckler
W. Bryan Buckler
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, 2022, 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 2, 2022

/s/ Sean Trauschke
Sean Trauschke
President and Chief Executive Officer

/s/ W. Bryan Buckler
W. Bryan Buckler
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, 2022, 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 2, 2022

/s/ Sean Trauschke
Sean Trauschke
President and Chief Executive Officer

/s/ W. Bryan Buckler
W. Bryan Buckler
Chief Financial Officer