Q4 2020 Earnings and Business Update Conference Call

February 25, 2021

Safe Harbor

Some of the matters discussed in this news release may contain forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements are intended to be identified in this document by the words "anticipate", "believe", "estimate", "expect", "intend", "objective", "plan", "possible", "potential", "project", “target” and similar expressions. Actual results may vary materially. Factors that could cause actual results to differ materially include, but are not limited to: general economic conditions, including the availability of credit, access to existing lines of credit, access to the commercial paper markets, actions of rating agencies and their impact on capital expenditures; the ability of the Company and its subsidiaries to access the capital markets and obtain financing on favorable terms as well as inflation rates and monetary fluctuations; the ability to obtain timely and sufficient rate relief to allow for recovery of items such as capital expenditures, fuel costs, operating costs, transmission costs and deferred expenditures; prices and availability of electricity, coal, natural gas and natural gas liquids (“NGLs”); the timing and extent of changes in commodity prices, particularly natural gas and NGLs, the competitive effects of the available pipeline capacity in the regions Enable serves, and the effects of geographic and seasonal commodity price differentials, including the effects of these circumstances on re-contracting available capacity on Enable's interstate pipelines; the timing and extent of changes in the supply of natural gas, particularly supplies available for gathering by Enable's gathering and processing business and transporting by Enable's interstate and intrastate pipelines, including the impact of natural gas and NGLs prices on the level of drilling and production activities in the regions Enable serves; business conditions in the energy and natural gas midstream industries, including the demand for natural gas, NGLs, crude oil and midstream services; competitive factors including the extent and timing of the entry of additional competition in the markets served by the Company; the impact on demand for our 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 for current and future construction projects; the effect of retroactive pricing of transactions in the SPP markets or adjustments in market pricing mechanisms by the SPP; federal or state legislation and regulatory decisions and initiatives that affect cost and investment recovery, have an impact on rate structures or affect the speed and degree to which competition enters the Company's markets; environmental laws, safety laws or other regulations that may impact the cost of operations or restrict or change the way the Company operates its facilities; 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 and other catastrophic events; creditworthiness of suppliers, customers and other contractual parties; 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 current pandemic health event resulting from COVID-19, and their collateral consequences, including extended disruption of economic activity in the Company’s markets; 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-K; difficulty in making accurate assumptions and projections regarding future revenues and costs associated with the Company's equity investment in Enable that the Company does not control; Enable’s pending merger with Energy Transfer and the expected timing of the consummation of the merger; and other risk factors listed in the reports filed by the Company with the Securities and Exchange Commission including those listed in Risk Factors in the Company's Form 10-K for the year ended December 31, 2020.

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OG&E Winter Weather

- **Extreme winter weather hit our service territory in mid-February**
- **Our generation fleet and over 2,300 employees (members) performed admirably**
- **Customers heeded the call to conserve energy**
- **SPP required minimal controlled service interruptions to maintain the integrity of the bulk electric system**
- **Regulatory asset for fuel and purchased power anticipated to be ~$800 million to ~$1B**
  - Mid-February's fuel and purchased power costs exceed the total costs for all of 2020
- **Filing made in Oklahoma on February 24th requesting an intra-year fuel clause adjustment and regulatory asset treatment**
- **A similar filing will be made in Arkansas**

- Longest consecutive days at 20 degrees or below on record in Oklahoma City: 7 days (Feb 10th – 16th)
- Natural gas prices in our service territory, prior to this event, had not exceeded $36/MMBtu in the past 25 years

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2020 Financial Results

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$1.70 EPS

High end of revised 2020 guidance

Midstream

$0.37 ongoing EPS

Exceeded revised 2020 guidance

Consolidated

$2.08 ongoing EPS

Exceeded revised 2020 guidance

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Positioning OGE to be a Pure Play Utility

- Merger between Enable and Energy Transfer is an important step in our simplification journey to a pure play utility
- Enable investment resulted in a 2.5x after-tax cash return on investment since 2013, with $1.1B cumulative distributions received
- The transaction will transform OGE's investment into a larger, and more diverse midstream company with significantly greater liquidity
- OGE will exchange 111 million units in Enable for 95 million Energy Transfer units (0.8595 exchange ratio)
- OGE will receive $5 million for GP interest
- CenterPoint Energy will pay $30 million to OGE
- Transaction expected to close in 2021
- OGE is committed to responsibly exiting our midstream investment over time

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Consistently Delivering Customer and Shareholder Value

- ✓ 5% compound annual earnings growth at the utility since 2015
- ✓ $1.4 billion paid in dividends – compound dividend growth rate of 8.8% since 2015
- ✓ Invested $3.3 billion in our system over the past 5 years to benefit customers, without external equity issuances
- ✓ O&M top quartile: O&M per customer is lower today than in 2015
- ✓ Reduced CO2 emissions by more than 40% since 2005
- ✓ Consistently maintained among the lowest rates in the nation – lower now than in 2011

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2020 Highlights

- ✓ COVID 19 – Strong and effective response
- ✓ Managed the most destructive ice storm in company history in October 2020
- ✓ Safety: 2 of the last 3 years have been the safest and the last 5 years have been the safest in our history
- ✓ Achieved successful regulatory outcomes in Oklahoma and Arkansas
- ✓ Economic and load recovery fueled by improving unemployment
- ✓ Advanced our ESG efforts; Environmental progress is one of the best in the industry

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2021 Areas of Focus

- Achieve approval of recovery plans for February 2021 weather event to balance customer bill impacts and the financial health of the utility company
- Execute on Grid Enhancement and other capital projects to the benefit of our customers
- File Integrated Resource Plans in Oklahoma and Arkansas
- Achieve constructive outcome in our Formula Rate Plan in Arkansas
- File Oklahoma rate review by the end of first quarter 2022 to recover infrastructure investments

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Long Term Vision for Customers and Shareholders

- We energize life, providing life-sustaining and life-enhancing products and services, while honoring our commitment to strengthen our communities
- Deploy generation and grid investments that add value for our customers and communities
- Grow OG&E earnings 5% annually, underpinned by lower-risk capital investments for our growing service territory
- Reposition as a pure play electric utility by responsibly exiting the midstream investment
- Commitment to maintain and prudently grow the dividend
- Attract businesses and jobs to service territory by maintaining some of the lowest rates in the nation – adding to the growth of our service territory

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Financial Effects of February 2021 Weather Event

- **Fuel and purchased power costs estimated to be between $800 million and $1 billion**
- **Dedicated bank credit agreement has been obtained for fuel and purchased power costs**
- **On February 24th, OG&E made a filing at the OCC requesting:**
  - An intra-year fuel clause increase to support 2021 credit metrics
  - Regulatory asset treatment at a weighted average cost of capital for remaining fuel and purchased power costs associated with the unprecedented weather event
- **A similar filing will be made at the APSC**
- **Net unfavorable impact to 2021 earnings estimated at ~($0.10) EPS**

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2020 EPS Results

- **Reported 2020 utility EPS earnings of $1.70 at the high end of revised guidance**
- **Achieved year-over-year growth to normalized 2019 $1.65 EPS**
- **Reduced O&M to help mitigate the impacts of COVID and mild weather**

	GAAP Earnings (Loss) per Average Diluted Share	Enable Investment Impairment Charge	Non-GAAP Ongoing Earnings per Average Diluted Share 2020	2019	Drivers
OG&E	$1.70	-	$1.70	$1.74	Weather & COVID ↓ Depreciation ↓ O&M Mitigation ↑ Full year OK GRR ↑
Natural Gas Midstream Operations	(2.58)	2.95	0.37	0.41	Enable: Lower gas gathered and processed volumes ↓ Enable: Lower average realized NGL and NG prices ↓
HoldCo and Other Operations	0.01	-	0.01	0.01	
Consolidated	($0.87)	$2.95	$2.08	$2.16	

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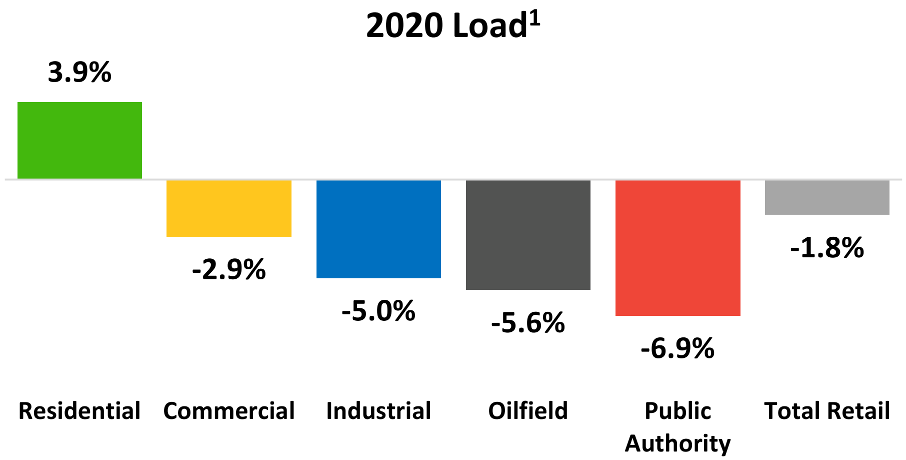
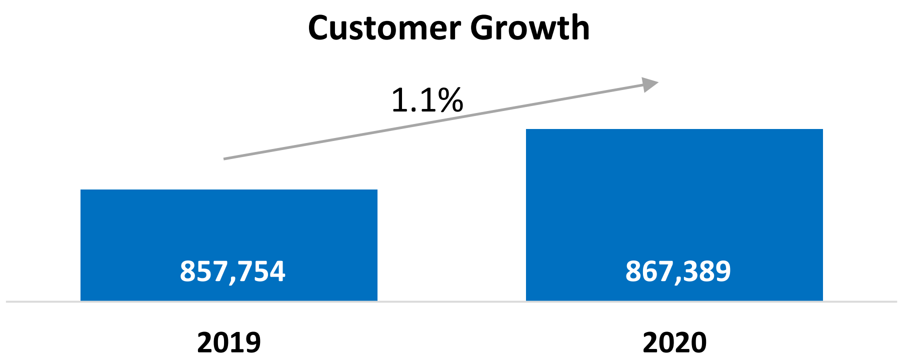
2020 Load Results





Highlights

- 2020 normalized load was 1.8% below 2019 levels
- Load continues to improve month over month
- Customer growth exceeded 1% in 2020, reflecting the attractiveness of our service territory

[1]Weather and storm adjusted sales compared to 2019

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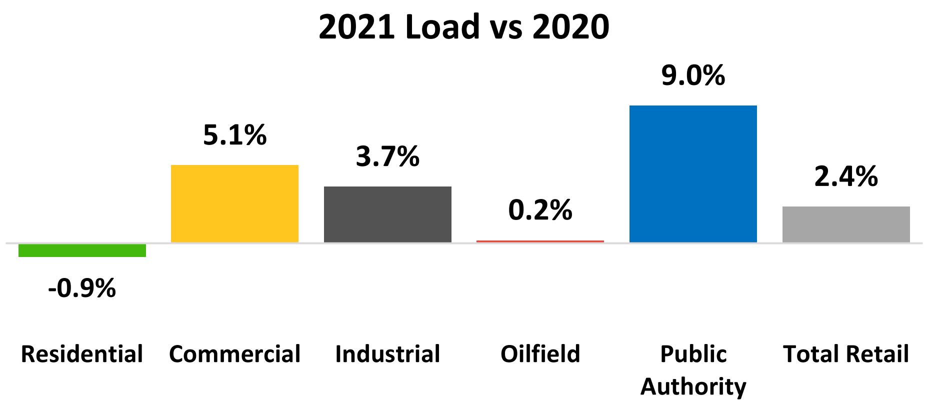
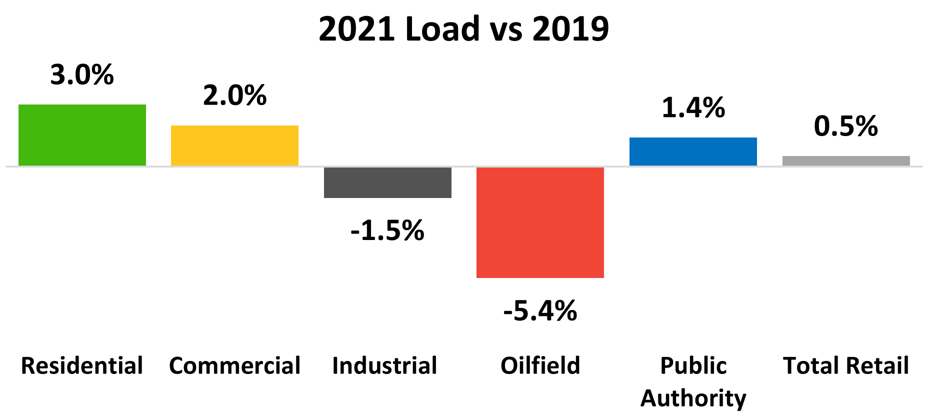
Forecasted 2021 Load

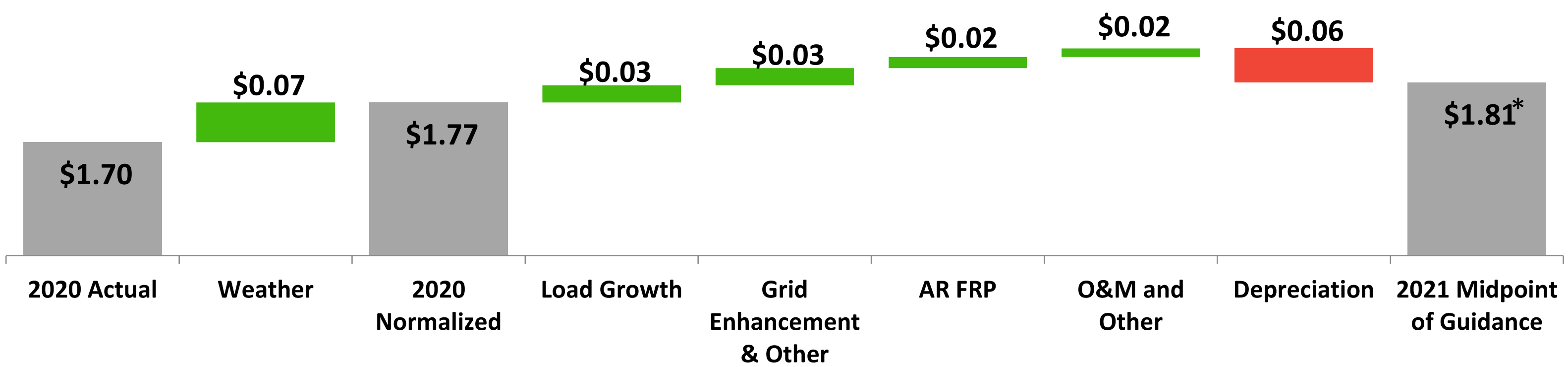
- Expect load to be favorable to 2020 as economic recovery continues
- Expect load to rebound above 2019 levels in 2021
- Forecast supported by customer growth that exceeded 1% in 2020





OG&E 2021 Financial Plan Drivers

- **2021 Utility EPS Guidance Range: $1.76 - $1.86**
  - Excludes unfavorable impact to EPS from the February 2021 weather event
  - Represents ~5% growth from 2019's normalized $1.65 EPS



- **Effects to 2021 earnings per share due to the February weather event include estimated impacts from:**
  - Fuel costs associated with Guaranteed Flat Bill program, offset by increased February retail margins net to ~($0.06) to ($0.07)
  - Increased financing costs of ~($0.03) to ($0.04) per share
  - Net estimated impact of ~($0.10) per share
  - Updates to our 2021 EPS guidance will be provided on the first quarter earnings call

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*Excludes EPS impact from the February 2021 cold weather event, estimated to be ~($0.10) per share.

Investing in our Communities

- The 5-year capital plan of $4.0 billion is a 15% increase from the previous 5-year capital plan
  - Strong customer growth drives incremental grid investment needs
  - Over 75% of 5-year capital plan is lower-risk, T&D system investments
  - Solar generation of $90 million included in the 5-year plan

5% targeted utility EPS growth rate through 2025, from the 2021 midpoint of guidance $1.81

Dollars in millions	2021	2022	2023	2024	2025	Total
Transmission	$80	$110	$115	$105	$125	**$535**
Oklahoma Distribution	300	290	265	300	300	**1,455**
Arkansas Distribution	25	20	20	20	20	**105**
Generation	100	85	125	125	130	**565**
Oklahoma Grid Advancement	170	180	185	185	185	**905**
Subscription Solar Program	10	20	20	20	20	**90**
Other	65	80	80	80	80	**385**
Total	$750	$785	$810	$835	$860	**$4,040**

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Financing Plan

- Balance sheet strength supports our long-term growth plan
- No long-term debt maturities through 2024
- No equity issuances in 5-year planning horizon
- Enable distributions of $73M on an annualized basis; ~$58M once converted to Energy Transfer
- $800M - $1B of fuel and purchased power costs related to February's winter storm
  - Firm bank commitment of $1B obtained in February 2021 to provide needed funding
- Consolidated FFO/Debt of 18.5% to 20% expected in 2021 - 2023
  - Constructive regulatory treatment on fuel and purchased power costs is expected to keep FFO/Debt metrics strong
- Dividend
  - Committed to maintaining and prudently growing our strong current dividend

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Appendix

Fourth Quarter EPS Results

	GAAP Earnings (Loss) per Average Diluted Share	Enable Investment Impairment Charge and Tax Effect per share	Non-GAAP Ongoing Earnings per Average Diluted Share 4Q 2020	4Q 2019	Drivers
OG&E	$0.21	-	$0.21	$0.15	Favorable customer class mix ↑ Customer Growth ↑ O&M ↑ Depreciation ↓
Natural Gas Midstream Operations	0.11	-	0.11	0.02	Asset impairment incurred at Enable Midstream in 4Q 2019 ↑
HoldCo and Other Operations	(0.05)	0.03	(0.02)	0.01	Lower income tax benefit ↓ Lower interest expense & higher other income ↑
Consolidated	$0.27	$0.03	$0.30	$0.18	

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Fourth Quarter Results – OG&E

Net income for OG&E was $41 million or $0.21 per share in 2020 as compared to net income of $29 million or $0.14 per share in 2019. Primary drivers include:

In Millions of $	4Q 2020	4Q 2019	Variance Fav/(Unfav)
Gross Margin	$322.3	$310.9	$11.4
Operation & Maintenance	115.6	122.2	6.6
Depreciation & Amortization	99.1	94.2	(4.9)
Interest Expense	39.1	36.8	(2.3)

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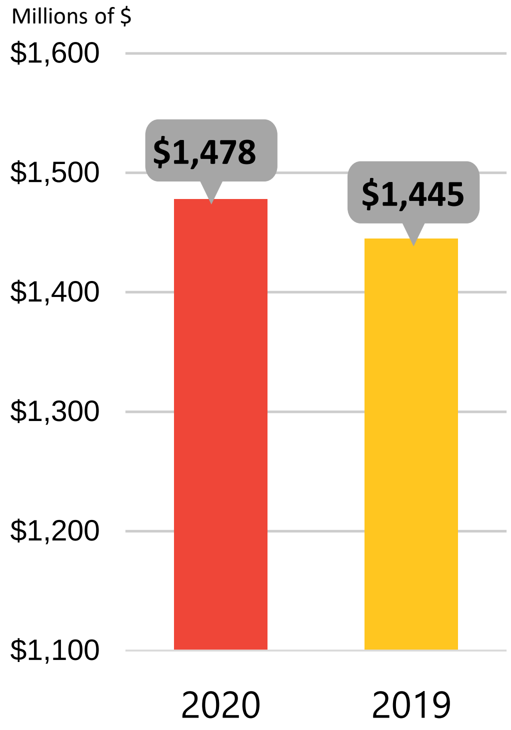
2020 Results – OG&E Gross Margin



Gross Margin Drivers:

- Favorable customer class mix, increased revenue from the AR FRP and the full year effect of new rates in OK ↑
- Customer Growth ↑
- Weather ↓
- Industrial and oilfield sales/ non-residential demand revenues ↓

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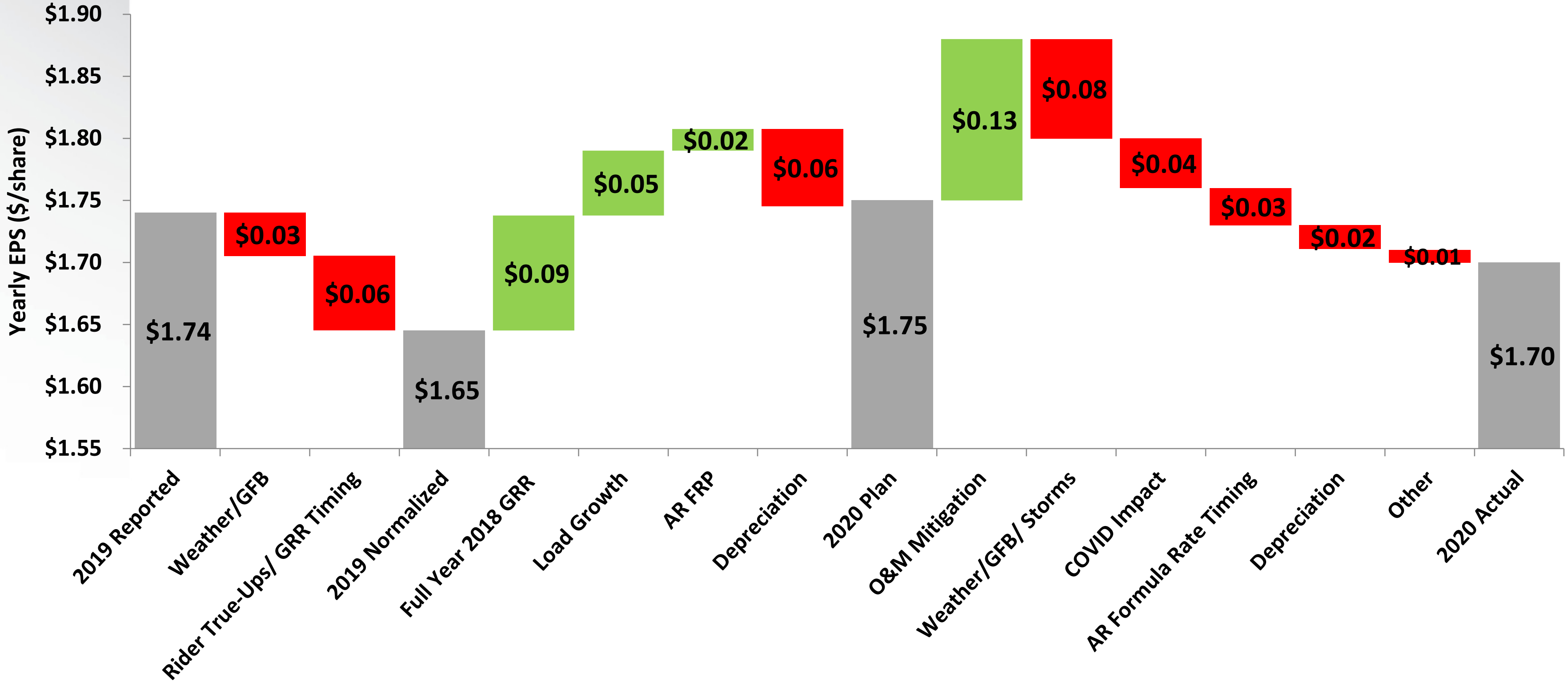
2019 to 2020 OG&E EPS Bridge



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2021 Outlook

	Low End of Guidance	Midpoint of Guidance	High End of Guidance
OG&E*	$1.76	$1.81	$1.86
Natural Gas Midstream Operations	*Enable Midstream did not issue 2021 outlook given pending merger transaction*		
HoldCo and Other Operations	$0.00	$0.00	$0.00
Consolidated	*Consolidated outlook not issued at this time due to pending merger of ENBL and ET*		

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*Excludes EPS impact from the February 2021 cold weather event, estimated to be ~($0.10) per share.

2021 Outlook Assumptions – OG&E

The Company projects OG&E to earn approximately $352 million to $373 million or $1.76 to $1.86 per average diluted share in 2021 and is based on the following assumptions:

- Normal weather patterns are experienced for the year;
- Gross margin on revenues of approximately $1.553 billion to $1.569 billion, based on total retail load growth of 2.4 percent;
- Operating expenses of approximately $991 million to $997 million with operation and maintenance expenses approximately 47.5% of the total;
- Net interest expense of approximately $157 million to $159 million which assumes a $2.2 million ABFUDC reduction to interest expense;
- Other Income of approximately flat including approximately $4.8 million of AEFUDC; and
- An effective tax rate of approximately 11.3%;
- The potential impacts associated with the February 2021 cold spell are not reflected in OG&E's 2021 earnings guidance range of $1.76 to $1.86 per average diluted share

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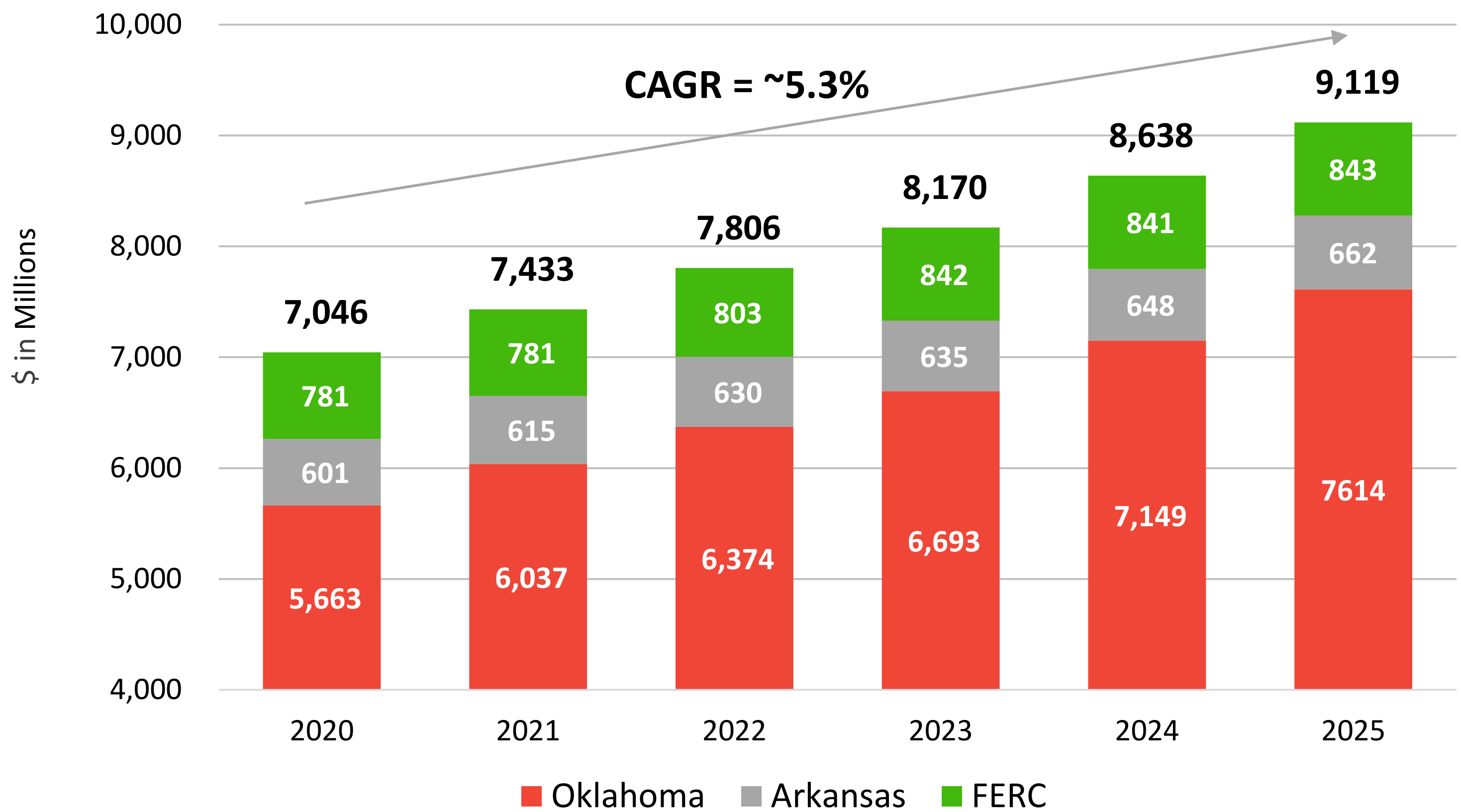
Projected Rate Base by Jurisdiction



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*Includes projects under construction; Year-end totals

Weather Impact

Weather Variance			
Heating Degree Days	**2020**	**2019**	**% Change**
Actuals	3,303	3,771	(12%)
Normal	3,354	3,354	-
Variance from Normal	(2%)	12%	
Cooling Degree Days	**2020**	**2019**	**% Change**
Actuals	1,804	2,018	(11%)
Normal	2,095	2,095	-
Variance from Normal	(14%)	(4%)	

Weather & Storm Adjusted Sales (January - December)	
Compared to 2019	**% Change**
Residential - Weather Adj.	3.9%
Commercial - Weather Adj.	-2.9%
Industrial	-5.0%
Oilfield	-5.6%
Public Authority	-6.9%
	-1.8%

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2020 Results – Natural Gas Midstream Operations

- Natural Gas Midstream Operations received cash distributions from Enable Midstream of approximately $92 million in 2020 compared to $144 million in 2019.
- Natural Gas Midstream Operations reported a net loss to OGE Energy Corp. of $515 million for 2020 compared to earnings of $81.4 million in the same period in 2019. Natural Gas Midstream Operations' ongoing earnings was $74.6 million for 2020.
- Distribution coverage ratio of 2.33x at the end of 2020

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Energy Transfer LP and Enable Midstream Partners LP Merger

- **Transaction considered credit positive from the credit rating agencies**
- **Equity investment accounting treatment**
  - The Energy Transfer shares will be marked to market quarterly
  - Distributions from Energy Transfer will be recorded as distribution income
  - The current amortization of basis, elimination of fair value adjustments associated with the investment in Enable, estimated at $55M annualized for 2021, will be eliminated upon merger finalization.
- **Distributions**
  - OGE Energy currently receives approximately $73M from Enable in annual distributions (assuming no change in quarterly rate of $0.16525/ unit)
  - OGE Energy will receive approximately $58M from Energy Transfer in annual distributions (assuming no change in quarterly rate of $0.1525/ unit)
- **FFO/Debt**
  - Our view is that the FFO/Debt rating agency downgrade thresholds are expected to be adjusted accordingly as OGE Energy exits the midstream investment over time

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Reg. G Reconciliation of Gross Margin to Revenue

In Millions of $	Three Months Ended – December 31		Twelve Months Ended – December 31	
	2020	2019	**2020**	2019
Operating revenues	**$485.4**	$472.5	**$2,122.3**	$2,231.6
Cost of sales	**163.1**	161.6	**644.6**	786.9
Gross Margin	**$322.3**	$310.9	**$1,477.7**	$1,444.7

Gross margin is defined by OG&E as operating revenues less cost of sales. Cost of sales, as reflected on the income statement, includes fuel, purchased power and certain transmission expenses. Gross margin is a non-GAAP financial measure because it excludes depreciation and amortization and other operation and maintenance expenses. Expenses for fuel and purchased power are recovered through fuel adjustment clauses, and as a result, changes in these expenses are offset in operating revenues with no impact on net income. OG&E believes gross margin provides a more meaningful basis for evaluating its operations across periods than operating revenues because gross margin excludes the revenue effect of fluctuations in these expenses. Gross margin is used internally to measure performance against budget and in reports for management and the Board of Directors. OG&E's definition of gross margin may be different from similar terms used by other companies. Further, gross margin is not intended to replace operating revenues as determined in accordance with GAAP as an indicator of operating performance.

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Non-GAAP Financial Measures

The Company

"Ongoing earnings" and "ongoing earnings per average diluted share" are defined by OGE Energy as GAAP Net Income (Loss) and GAAP Earnings (Loss) per Average Diluted Share adjusted to exclude certain non-cash charges and the associated tax impacts. These financial measures excluded a pre-tax, non-cash charge of $780.0 million, or $3.90 per average diluted share, associated with the impairment of OGE Energy's investment in Enable, which OGE Energy's management considers an unusual and infrequent event. Management believes that ongoing earnings and ongoing earnings per average diluted share provide a more meaningful comparison of earnings results and are more representative of OGE Energy's fundamental core earnings power. OGE Energy's management uses ongoing earnings and ongoing earnings per average diluted share internally for financial planning and analysis, for reporting of results to the Board of Directors and when communicating its earnings outlook to analysts and investors. The following table presents reconciliations of ongoing earnings and ongoing earnings per average diluted share for the year ended December 31, 2020.

	OG&E (Electric Utility)	OGE Holdings (Natural Gas Midstream Operations) (B)	Other Operations	Consolidated Total
2020				
(In millions)				
GAAP net income (loss)	$339.4	($515.0)	$1.9	($173.7)
Enable investment impairment charge (A)	0.0	780.0	0.0	780.0
Tax effect	0.0	(190.4)	0.0	(190.4)
Ongoing earnings	$339.4	$74.6	$1.9	$415.9
GAAP net income (loss) per average diluted share	$1.70	($2.58)	$0.01	($0.87)
Enable investment impairment charge per share (A)	0.00	3.90	0.00	3.90
Tax effect per share	0.00	(0.95)	0.00	(0.95)
Ongoing earnings per average diluted share	$1.70	$0.37	$0.01	$2.08

(A) Does not include a $16.9 million pre-tax charge recorded during 2020 for OGE Energy's share of Enable's goodwill, long-lived asset and equity method investment impairments and loss on retirements, as adjusted for basis differences.

(B) Tax effect and tax effect per share are calculated utilizing OGE Holdings' statutory tax rate for the year ended December 31, 2020.

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