

**POSITIVE
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Earnings Conference Call First Quarter 2011

May 5, 2011

WITH ALL YOUR POWER  WHAT WOULD YOU DO?

Safe Harbor and Reg. G Compliance

Some of the matters discussed in this presentation may contain forward-looking statements that are subject to certain risks, uncertainties and assumptions. Such forward-looking statements are intended to be identified in this document by the words “anticipate”, “believe”, “estimate”, “expect”, “intend”, “objective”, “plan”, “possible”, “potential”, “project” and similar expressions. Actual results may vary materially from those expressed in the forward-looking statements. 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 their impact on capital expenditures; the ability of the Company and its subsidiaries to access the capital markets and obtain financing on favorable terms; prices and availability of electricity, coal, natural gas and natural gas liquids, each on a stand-alone basis and in relation to each other as well as the processing contract mix between percent-of-liquids, keep-whole and fixed fee; business conditions in the energy and natural gas midstream industries; competitive factors including the extent and timing of the entry of additional competition in the markets served by the Company; unusual weather; availability and prices of raw materials for current and future construction projects; Federal or state legislation and regulatory decisions and initiatives that affect cost and investment recovery, have an impact on rate structures or affect the speed and degree to which competition enters the Company’s markets; environmental laws and regulations that may impact the Company’s operations; changes in accounting standards, rules or guidelines; the discontinuance of accounting principles for certain types of rate-regulated activities; whether OG&E can successfully implement its smart grid program to install meters for its customers and integrate the smart grid meters with its customer billing and other computer information systems; advances in technology; creditworthiness of suppliers, customers and other contractual parties; the higher degree of risk associated with the Company’s nonregulated business compared with the Company’s regulated utility business; and other risk factors listed in the reports filed by the Company with the Securities and Exchange Commission including those listed in Risk Factors and Exhibit 99.01 to the Company’s Form 10-K for the year ended December 31, 2010.

This presentation includes the non-GAAP measures of ongoing earnings and ongoing earnings per share when describing the Company’s results of operations and financial performance. The Company has prepared reconciliations of these measures to the most directly comparable GAAP measures. These reconciliations can be found in the appendix of this presentation.

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First Quarter EPS Results

	2011 As Reported EPS	2010 Ongoing EPS*	2010 As Reported EPS
Utility	\$ 0.06	\$ 0.08	\$ 0.01
OGE Enogex Holdings	0.19	0.30	0.28
Holding Company	-	(0.02)	(0.04)
	\$ 0.25	\$ 0.36	\$ 0.25

*The Patient Protection Act and Affordable Care Act of 2009 and the Health Care and Education Reconciliation Act of 2010 were signed into law on March 23, 2010 and March 30, 2010, respectively. These Acts change the tax treatment of federal subsidies paid to sponsors of retiree health benefit plans that provide prescription drug benefits. As a result, OGE recognized a one-time, non-cash charge of approximately \$11.4 million or \$0.11 per average diluted share for the quarter ended March 31, 2011.

First Quarter Results – OG&E

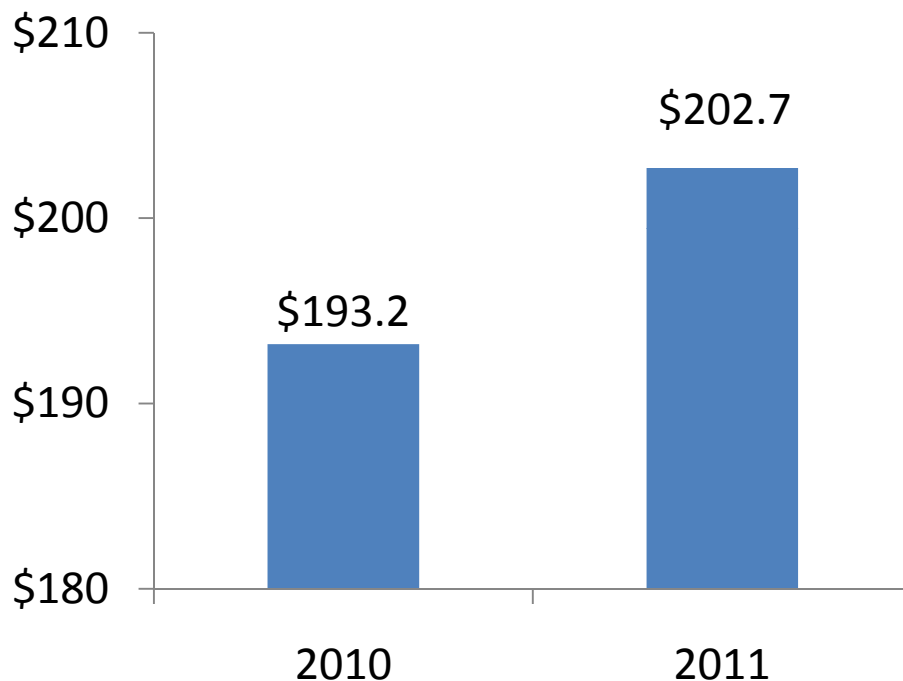
Net income was \$6.4 million or \$0.06 per share in 2011. This compares to ongoing net income* of \$8.2 million or \$0.08 per share in 2010. Primary drivers include:

In Millions of \$	<u>2011</u>	<u>2010</u>	<u>Variance</u> Fav/(Unfav)
Gross Margin	202.7	193.2	9.5
Operation & Maintenance	105.8	93.9	(11.9)
Depreciation & Amortization	51.8	49.7	(2.1)
Taxes Other Than Income	19.1	17.7	(1.4)
Net Other Income (Expense)	8.9	4.2	4.7
Interest Expense	26.1	24.2	(1.9)

*The impact of the Medicare Part D tax law change resulted in a one-time charge which reduced earnings by \$0.07 per share in the first quarter of 2010.

First Quarter Results - OG&E Gross Margin

Millions of \$



Increased Gross Margin

- Various Riders - \$11.3 million
- Demand Fees- \$2.5 million
- New Customer Growth - \$1.5 million

Decreased Gross Margin

- Weather -\$3.4 million
- Other - \$2.4 million

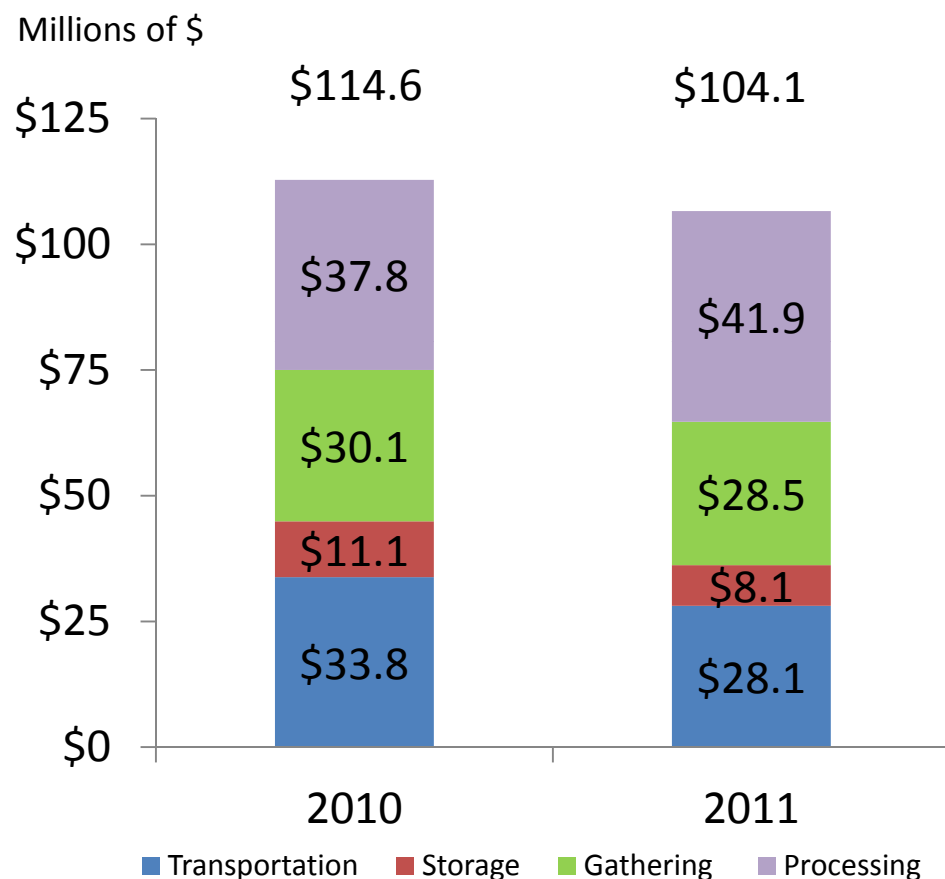
First Quarter Results – Enogex Holdings

Net income to OGE was \$18.8 million or \$0.19 per share in 2011. This compares to ongoing net income* of \$29.4 million or \$0.30 per share in 2010. Primary drivers include:

In Millions of \$	2011	2010	Variance Fav/(Unfav)
Gross Margin	104.1	114.6	(10.5)
Operation & Maintenance	37.2	33.8	(3.4)
Interest Expense	6.4	8.5	2.1
Enogex Holdings Net Income	23.6	30.4	(6.8)
OGE Enogex Holdings Net Income <i>(OGE's Portion)</i>	18.8	29.4	(10.6)

*The impact of the Medicare Part D tax law change resulted in a one-time charge which reduced earnings by \$0.02 per share in the first quarter of 2010.

First Quarter Results - Enogex Holdings Gross Margin*



Increased Gross Margin

- Higher Commodity Prices
- Processed Volumes up 3%
- Gathered Volumes up 2%

Decreased Gross Margin

- Fuel Recoveries
- Natural Gas Sales
- Storage Hedges

* Not shown on the chart but included in the total gross margin are the Marketing business gross margins and consolidated eliminations. For 2011 and 2010, the Marketing gross margins were (\$1.2) million and \$1.4 million respectively and the consolidated eliminations were (\$1.3) million and \$0.4 million, respectively.

2011 Financial Outlook

- The Company's 2011 earnings guidance is unchanged and is between approximately \$299 million and \$318 million of net income, or \$3.00 to \$3.20 per average diluted share assuming 99.5 million average diluted shares outstanding
- OG&E is projected to earn approximately \$209 million to \$219 million or \$2.10 to \$2.20 per average diluted share in 2011 assuming normal weather patterns for the remainder of the year
- OGE Enogex Holdings is projected to earn approximately \$90 million to \$104 million or \$0.90 to \$1.05 per average diluted share in 2011

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Appendix

Reg. G Reconciliation *(For the quarter ended March 31, 2010)*

Reconciliation of Ongoing Earnings to GAAP Earnings

	1Q 2011 GAAP and Ongoing Earnings*	1Q 2010 Ongoing Earnings	**One-Time Charge	1Q 2010 GAAP Earnings
OG&E	\$6.4	\$8.2	(\$7.0)	\$1.2
Enogex	18.8	29.4	(2.0)	27.4
Holding Co.	(0.4)	(2.0)	(2.4)	(4.4)
Consolidated	<u>\$24.8</u>	<u>\$35.6</u>	<u>(\$11.4)</u>	<u>\$24.2</u>

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

	1Q 2011 GAAP and Ongoing Earnings Per Share*	1Q 2010 Ongoing Earnings Per Share	**One-Time Charge	1Q 2010 GAAP Earnings Per Share
OG&E	\$0.06	\$0.08	(\$0.07)	\$0.01
Enogex	0.19	0.30	(0.02)	0.28
Holding Co.	0.00	(0.02)	(0.02)	(0.04)
Consolidated	<u>\$0.25</u>	<u>\$0.36</u>	<u>(\$0.11)</u>	<u>\$0.25</u>

* There were no one-time charges for the quarter ended March 31, 2011 therefore, ongoing and GAAP earnings are the same for that period.

**The Patient Protection Act and Affordable Care Act of 2009 and the Health Care and Education Reconciliation Act of 2010 were signed into law on March 23, 2010 and March 30, 2010, respectively. These Acts change the tax treatment of federal subsidies paid to sponsors of retiree health benefit plans that provide prescription drug benefits. As a result, OGE recognized a one-time, non-cash charge of approximately \$11.4 million or \$0.11 per average diluted share for the quarter ended March 31, 2010.