

Welcome to your CDP Climate Change Questionnaire 2019

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

OGE Energy Corp. (NYSE: OGE), with headquarters in Oklahoma City is an energy and energy services provider and is the parent company of Oklahoma Gas and Electric Company ("OG&E"), a regulated electric utility (together referenced as the "Company"). The Company has approximately 2,300 employees. OG&E serves approximately 850,000 retail electricity customers in Oklahoma and western Arkansas. OG&E, with approximately 6,616 megawatts of generation capacity under financial control and 7,375 megawatts of capacity under operational control, generates electricity from a diverse energy mix, including low-sulfur Wyoming Powder River Basin ("PRB") coal, natural gas, wind, and solar. Its electric transmission and distribution systems cover an area of 30,000 square miles.

The Company understands that environmental responsibility is important to the quality of life of our customers, the communities we serve and our own employees and their families. It is also critical to our success. The Company is committed to complying with government-established environmental standards and views environmental stewardship as a vital aspect of its business. The Company continually monitors, assesses, and strives to improve its environmental performance, and seeks to foster strong working relationships with stakeholders such as customers, investors, and the local, state and federal agencies that monitor its environmental stewardship. The Company believes it has a dual responsibility to protect our natural resources and to provide safe, reliable and reasonably priced power and will, therefore, bring to any emerging environmental policy discussion the need for a sensible balance between environmental gain and its cost to the Company's customers and shareholders.

At the end of 2018, the Company set out CO₂ emission reduction expectations for OG&E. Beginning in 2019, we expect to see an approximately 40% CO₂ emissions reduction from 2005 levels; an approximately 50% CO₂ emissions reduction in 2030 from 2005 levels; and we expect, by 2050, to retire 95% of current fossil-fueled generation, cost effectively meeting our capacity requirements by replacing retiring generation with newer technology including high efficiency natural gas or zero-emitting technology such as renewables or batteries. Our analysis and comparison with peers in the US electric power industry strongly suggests that OG&E's emission reduction expectations are consistent with electric sector emission reduction scenarios considered likely to achieve the Paris Climate Agreement and IPCC goals of limiting global temperature increase to 2 degrees Celsius.

For more information about the Company, please visit our websites at www.oge.com, and <https://www.ogeenergy.com/stewardship/>.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1, 2018	December 31, 2018	Yes	

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C-EU0.7

(C-EU0.7) Which part of the electric utilities value chain does your organization operate in? Select all that apply.

Row 1

Electric utilities value chain

Electricity generation

Transmission

Distribution

Other divisions

Smart grids / demand response

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Nominating and Corporate Governance Committee appointed by the Board of Directors is to review and report to the Board the Company's environmental initiatives and compliance strategies.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and 	The Company's Board of Directors oversees all aspects of the Company's businesses, including the regulatory and operating aspects. The Board's Nominating and Corporate Governance Committee is charged with reviewing and reporting to the Board on the Company's environmental initiatives and compliance strategies. Environmental reports and/or presentations are periodically reviewed with the Board of Directors. The identification, monitoring and management of proposed or enacted legislation or regulation relating to climate change is provided primarily through the Company's Corporate Environmental Affairs Department and business unit environmental management.

	performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	As important matters arise
Environment/ Sustainability manager	Both assessing and managing climate-related risks and opportunities	Half-yearly
Risk committee	Assessing climate-related risks and opportunities	Quarterly
Chief Financial Officer (CFO)	Both assessing and managing climate-related risks and opportunities	As important matters arise
Chief Operating Officer (COO)	Both assessing and managing climate-related risks and opportunities	As important matters arise

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The CEO is the top-level executive authority in the Company. The Environmental Affairs and Federal Public Policy Director reports to the CEO and provides overall leadership in the environmental affairs of the Company including the monitoring of climate-related issues at federal, regional, and state levels via participation in regulatory development (e.g., notice and comment rulemaking processes) and through industry activities. The Company's Risk

Oversight Committee consists primarily of corporate officers (e.g., CFO, COO) and is responsible for the overall development, implementation and enforcement of strategies and policies for all market-risk management activities of the Company. The Risk Oversight Committee's responsibilities include review and assessment of the existing risk exposure and performance of the Company's business units, including climate-related issues. Members of management are participants on the Risk Committee.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Monetary reward

Activity incentivized

Other, please specify

Excellence in operation of power plants - as measured by the Equivalent Forced Outage Rate (EFOR) metric.

Comment

EFOR is a measure of power plant performance and reliability. Power plants that perform well tend to be more efficient resulting in lower CO2 emission rates. EFOR is among the OG&E key results on which annual performance incentives are based for all employees.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	3	5	

Long-term	5	10	
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C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

The Company's Risk Oversight Committee, comprised primarily of corporate officers, is responsible for the overall process of identifying risk and the development, implementation and enforcement of strategies and policies for all risk management activities, including climate-related issues. The Risk Oversight Committee is authorized by, and reports quarterly to, the Audit Committee of the Board of Directors. Also, the Board's Nominating and Corporate Governance Committee is charged with reviewing and reporting to the Board on the Company's environmental initiatives and compliance strategies.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	The Company tracks the development and implementation of climate-related regulation closely. For example, driven by Clean Air Act Sections 111(b) and 111(d) respectively, relevant regulation for OG&E includes the 2018 reconsideration of portions of the US EPA's 2015 final GHG regulation for new power plants and the June 2019 final GHG emission guidelines for existing coal-fired power plants.
Emerging regulation	Relevant, always included	The Company's Corporate Environmental Affairs Department is responsible for the identification, monitoring and management of proposed or enacted legislation or regulation relating to climate

		change, and ensures that executive management and the Chairman of the Board are knowledgeable about the status and potential impacts of emerging regulation.
Technology	Relevant, sometimes included	Included periodically as necessary. For example, OG&E regularly reviews and updates as needed its Integrated Resource Plan (IRP). The IRP addresses the electric generation capacity needs for our customer base. A price on carbon is included in the evaluation of generating assets. OG&E also regularly assesses the feasibility and cost effectiveness of efficiency measures for existing facilities and various types of new generation technology.
Legal	Relevant, always included	Enactment of national or state-level climate-related legislation may create legal requirements for the Company. The potential risks resulting from such requirements are evaluated on an ongoing basis.
Market	Relevant, always included	Included periodically as necessary. Market impacts may result from newly enacted climate legislation or regulation and would be included in risk evaluations of new legislation or regulation. Integrated resource plans include a CO2 price sensitivity analysis.
Reputation	Not evaluated	
Acute physical	Not evaluated	
Chronic physical	Not evaluated	
Upstream	Not evaluated	
Downstream	Not evaluated	

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

The Company Corporate Risk Management Department, in conjunction with the aforementioned Board committees and the Risk Oversight Committee, is responsible for establishing and enforcing the Company's risk policies, including, for example, evaluation of risk due to hazards or regulatory changes on climate-related issues. The Corporate Risk Management Department utilizes an annual enterprise risk management assessment process to identify, measure, manage, and report top risks. During this process, a ranking of top risks is completed as the Company assesses and manages its identified risks.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Mandates on and regulation of existing products and services

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

There is continuing discussion and evaluation of possible global climate change in certain regulatory and legislative arenas. The focus is generally on emissions of greenhouse gases, including CO₂, sulfur hexafluoride and methane, and whether these emissions are contributing to the warming of the earth's atmosphere. On June 1, 2017, President Trump announced that the U.S. will withdraw from the Paris Climate Accord and begin negotiations to re-enter the agreement with different terms. A new agreement may result in future additional emissions reductions in the U.S.; however, it is not possible to determine what the international legal standards for greenhouse gas emissions will be in the future and the extent to which these commitments will be implemented through the Clean Air Act or any other existing statutes and new legislation.

Currently, implementation of the US EPA's 2015 Clean Power Plan for existing power plants is stayed by the US Supreme Court; in 2019, EPA finalized repeal of the Clean Power Plan and a replacement rule commonly known as the Affordable Clean Energy (ACE) rule. It is currently unknown how the various states will implement the ACE and it is reasonably expected that the ACE will be subject to judicial challenge. The Company tracks the development of these regulations closely.

Several states outside the area where the Company operates have passed laws, adopted regulations or undertaken regulatory initiatives to reduce the emission of greenhouse gases, primarily through the planned development of greenhouse gas emission inventories and/or regional greenhouse gas cap and trade programs.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

While the ultimate timing and impact of these standards on OG&E's operations cannot be determined with certainty at this time, if legislation or regulations are passed at the Federal or state levels in the future requiring mandatory reductions of carbon dioxide and other greenhouse gases on the Company's facilities, this could result in significant additional compliance costs that would affect the Company's future financial position, results of operations and cash flows if such costs are not recovered through regulated rates.

Management method

The Environmental Affairs department identifies, assesses and regularly briefs the Board chair and executive management concerning new and emerging regulations. If mandates and/or regulations at the Federal or state levels become effective in the future requiring reductions of carbon dioxide and other greenhouse gases at the Company's facilities, detailed regulatory, engineering, and economic analyses would be undertaken as needed in order to comply in a timely manner.

Cost of management

Comment

OG&E's recent work on its legacy fleet of powerplants in addition to several business decisions over the years has led to an industry-leading 40% reduction in carbon dioxide emissions starting in 2019. This reduction should help in meeting regulatory requirements that may be imposed.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Market: Other

Type of financial impact

Other, please specify

Potential financial risk created by responses to climate change.

Company- specific description

To the extent that climate change adversely affects the national or regional economic health through increased electricity rates caused by the inclusion of additional regulatory imposed costs such as carbon dioxide taxes or costs associated with additional regulatory requirements, the Company may be adversely impacted. A declining economy could adversely impact the overall financial health of the Company because of lack of load growth and decreased sales opportunities. The consequences of a prolonged recession could include a lower level of economic activity and uncertainty regarding energy prices and the capital and commodity markets. A lower level of economic activity could also result in a decline in energy consumption, which could adversely affect our revenues and future growth. To the extent financial markets view climate change and emissions of greenhouse gases as a financial risk, this could negatively affect the ability of the Company to access capital markets or cause us to receive less than ideal terms and conditions.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The ultimate timing and impact of these risks cannot be determined with certainty at this time, although a requirement for significant reduction of CO2 emissions from existing fossil-fuel-fired power plants ultimately could result in significant additional compliance costs that would affect the Company's future consolidated financial position, results of operations and cash flows if such costs are not recovered through regulated rates.

Management method

If mandates and/or regulations at the Federal or state levels become effective in the future requiring reductions of carbon dioxide and other greenhouse gases at the Company's facilities, detailed regulatory, engineering, and economic analyses would be undertaken as needed in order to comply in a timely manner.

Cost of management

Comment

OG&E's recent work on its legacy fleet of powerplants in addition to several business decisions over the years has led to an industry-leading 40% reduction in carbon dioxide emissions starting in 2019. This reduction should help in meeting regulatory requirements that may be imposed.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Other

Type of financial impact

Other, please specify

Climate change may create severe weather-related risks.

Company- specific description

Weather conditions directly influence the demand for electric power and seasonal temperature variations may adversely affect our consolidated financial position, results of operations and cash flows. Physical risks to OG&E from climate change could include changes in weather conditions such as prolonged droughts. OG&E could face restrictions on its ability to meet demand if, due to drought severity, there is a lack of sufficient water for use in cooling during the electricity generating process.

OG&E's power delivery systems are vulnerable to damage from wildfires and extreme

weather events, such as ice storms, flooding, tornadoes and severe thunderstorms. To the extent the frequency or intensity of extreme weather events increases, this could increase OG&E's cost of providing service. OG&E's electric generating facilities are designed to withstand the effects of extreme weather events, however, extreme weather conditions increase the stress placed on such systems.

Time horizon

Current

Likelihood

About as likely as not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

In OG&E's service area, demand for power peaks during the hot summer months, with market prices also typically peaking at that time. As a result, overall operating results may fluctuate on a seasonal and quarterly basis.

If climate change results in temperature increases in OG&E's service territory, increased electricity demand due to the increase in temperature and longer warm seasons could be expected which could create a physical strain on OG&E's generating resources. As well, unusually mild weather in the future could reduce our revenues, net income, available cash and borrowing ability.

Severe weather, such as tornadoes, thunderstorms, severe drought, and ice storms may cause outages and property damage which may require OG&E to incur additional costs that are generally not insured and that may not be recoverable from customers. The effect of the failure of our facilities to operate as planned would be particularly burdensome during a peak demand period.

Management method

These types of extreme weather events are common on OG&E's system, so OG&E includes storm restoration in its budgeting process as a normal business expense. OG&E prepares for times of heavy demand and strain on equipment through its

comprehensive maintenance strategy and extensive integrated resource planning.

OG&E maintains best management practices for its cooling water intake structures, and carefully manages the make-up water for its cooling towers by cycling the water in the towers as long as possible without creating maintenance issues. In addition, two of OG&E's generating facilities utilize gray water from local municipal water treatment plants. OG&E also carefully maintains its water use permits.

OG&E has a dedicated Incident Command System (ICS) process in place to address severe weather events. The ICS is routinely improved upon based on our experience from previous disasters and it is also periodically audited by outside consultants to help continuously improve the process. The Edison Electric Institute (EEI) has awarded OG&E Emergency Response Awards for recovery efforts following storms, tornadoes and flooding across the OG&E system. Over the years, there have been twelve times OG&E has received national recognition for its outstanding efforts to restore electric power interrupted by extreme weather events.

Cost of management

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Market: Other

Type of financial impact

Write-offs, asset impairment, and early retirement of existing assets due to policy changes

Company- specific description

Stringent climate-related regulation could potentially make certain power plants uncompetitive in power markets.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

If legislation or regulations are passed at the federal or state levels in the future requiring mandatory reductions of CO2 and other greenhouse gases on the Company's facilities, this could result in significant additional compliance costs that would affect the Company's future consolidated financial position, results of operations and cash flows if such costs are not recovered through regulated rates. Such compliance costs could lead to uneconomic market positions for the Company's facilities resulting in reduced operation or closure.

Management method

The Company carefully follows climate-related legislative and regulatory developments. Also, OG&E utilizes a CO2 price in a sensitivity analysis to understand the impact to generating portfolios with the addition of a cost on carbon dioxide. OG&E's current Integrated Resource Plan carbon price sensitivity utilizes a \$/ton CO2 price which creates price parity between different generation technologies. Integrated Resource Plans are required by the Oklahoma Corporation Commission to be updated at least every three years, but OG&E may update the plan more frequently.

Cost of management

Comment

OG&E's recent work on its legacy fleet of powerplants in addition to several business decisions over the years has led to an industry-leading 40% reduction in CO2 emissions starting in 2019, and, as discussed in section C.4, expects additional future CO2 reductions. Such reductions should help in meeting regulatory requirements that may be imposed.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Markets

Primary climate-related opportunity driver

Other

Type of financial impact

Other, please specify
Increase in capital availability

Company-specific description

Access to cost recovery through regulated electricity rates and tariffs. OG&E's retail electric tariffs are regulated by state Public Service Regulatory Agencies: Arkansas Public Service Commission (APSC) and Oklahoma Corporation Commission (OCC).

Time horizon

Current

Likelihood

About as likely as not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Unknown

Strategy to realize opportunity

OG&E continues to review and evaluate available options for reducing, avoiding, offsetting or sequestering its greenhouse gas emissions. This may involve investment in more generating assets, transmission and other infrastructure to serve increased load. OG&E expects to maintain a diverse generation portfolio including the consistent use of renewable energy sources that do not emit greenhouse gases. OG&E's service territory borders one of the nation's best wind resource areas and OG&E has leveraged its advantageous geographic position to develop renewable energy resources.

In Oklahoma, OG&E has recently optimized transmission investments with advanced phase-shifting transformer technology in order to relieve congestion hampering the delivery of renewable energy and to significantly increasing overall system reliability.

OG&E is investing in grid modernization in Arkansas. Encompassing 14 total circuits, 220 miles of distribution circuits and the replacement of 250 distribution transformers, the completed circuits are exceeding our performance expectations for the more than 22,000 customers benefiting from this investment and significantly improving system reliability and resilience.

Cost to realize opportunity

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Other

Type of financial impact

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

Increased demand for existing products/services.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Unknown

Strategy to realize opportunity

Weather conditions directly influence the demand for electric power. If average temperatures rise or if changes in extreme temperatures occur or if warm temperature seasons become longer, OG&E anticipates an increase in electricity sales. In an effort to encourage more efficient use of electricity, OG&E is also providing new energy management solutions to its customers through its award winning Smart Grid program that utilizes newer technology to improve operational and environmental performance as well as allow customers to monitor and manage their energy usage.

Cost to realize opportunity

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Type of financial impact

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

Provide customers services and tools to promote energy efficiency and conservation

Time horizon

Current

Likelihood

About as likely as not

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Strategy to realize opportunity

OG&E is committed to reliably meet the growth in energy demand and protect customers against volatile commodity prices, balancing our commitment to renewable energy with our commitment to provide our customers reasonably priced electricity. Programs to defer the need for additional fossil-fueled generation and to grow OG&E's renewable resources will play an important role for OG&E going forward. OG&E has implemented a comprehensive Demand Program designed to promote energy efficiency and conservation. OG&E is committed to bringing zero-emission wind power to its customers and needed revenue to rural areas of Oklahoma. OG&E has made tremendous strides toward increasing the amount of wind generation on its system and is leading the effort to build out the transmission resources in order to improve reliability of the system while also providing access to wind power. OG&E installed the 2.5 MW Mustang Solar Project in 2015, the first utility solar farm in Oklahoma, and during 2018, placed into service a 10 MW solar farm in Covington, Oklahoma. Rooftop solar panels and battery storage facilities have been installed at several OG&E locations for similar testing of integration to the system. OG&E offers customers an opportunity to purchase, on a voluntary basis, solar energy from the solar farms and wind-powered generating assets. Also, OG&E encourages the use of EVs, is expanding its EV charging infrastructure, and is electrifying its fleet of electric vehicles.

Cost to realize opportunity

Comment

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	OG&E expects to continue its current practice of providing customers with services and tools to promote energy efficiency and conservation.
Supply chain and/or value chain	We have not identified any risks or opportunities	
Adaptation and mitigation activities	We have not identified any risks or opportunities	
Investment in R&D	Not impacted	
Operations	Impacted for some suppliers, facilities, or product lines	<p>OG&E maintains best management practices for its cooling water intake structures, and carefully manages the make-up water for its cooling towers by cycling the water in the towers as long as possible without creating maintenance issues. In addition, two of OG&E's generating facilities utilize gray water from local municipal water treatment plants. OG&E also carefully maintains its water use permits.</p> <p>OG&E has a dedicated Incident Command System (ICS) process in place to address severe weather events. The ICS is routinely improved upon based on our experience from previous disasters and it is also periodically audited by outside consultants to help continuously improve the process. The Edison Electric Institute (EEI) has awarded OG&E Emergency Response Awards for recovery efforts following storms, tornadoes and flooding across the OG&E system. Over the years, there have been twelve times OG&E has received national recognition for its outstanding efforts to restore electric power interrupted by extreme weather events.</p>
Other, please specify	Not evaluated	

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Not evaluated	
Operating costs	Not evaluated	
Capital expenditures / capital allocation	Not evaluated	
Acquisitions and divestments	Not evaluated	
Access to capital	Not evaluated	
Assets	Not evaluated	
Liabilities	Not evaluated	
Other	Not evaluated	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

Yes, quantitative

C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b

(C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b) Indicate whether your organization has developed a low-carbon transition plan to support the long-term business strategy.

Yes

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

The Company's commitment to corporate stewardship begins with our belief that we're only as strong as the communities we serve. The business is based on a balance of delivering reliable and affordable electricity to our customers and maintaining a culture of innovation and environmental stewardship that can serve the needs of our communities now and in the future. The Company recognizes that there is national and international concern about global climate change and the contribution of emissions of greenhouse gases ("GHGs") including, most significantly, carbon dioxide ("CO₂"). Beginning in 2019, in fulfillment of our commitment to emissions reduction, the Company expects OG&E CO₂ emissions to be lower by approximately 40% from 2005 levels. And as part of our continuous and sustainable decline in emissions over time, OG&E is expecting to reduce CO₂ emissions to 50% below 2005 levels by 2030. Between 2030 and 2050, we expect to retire 95% of our current fossil-fueled generation, cost-effectively meeting our capacity requirements by replacing retiring generation with newer technology such as renewables or batteries. Implementation of the Company's Environmental Compliance Plan for U.S. Environmental Agency's ("EPA") Mercury and Air Toxics rules and Regional Haze Federal Implementation Plan will result in reduced CO₂ emissions. At its Muskogee Station, OG&E has converted two coal-fired generating units to natural gas, which is equivalent to approximately 40% of coal fleet generation capacity. Since 2005, approximately 630 MW of older, inefficient gas-fired generation has been retired and more than 1,000 MW of highly efficient less carbon intensive combined-cycle natural gas units have been added. In addition, the Company has completed modernization of its Mustang Energy Center by replacing 1950's era power generating units with efficient natural gas-fired, quick-start combustion turbines to assist with the incorporation of renewable generation technologies and enhance grid reliability.

The Company continues to be an advocate for piloting and adopting cost effective renewable technology. OG&E's service territory borders one of the nation's best wind resource areas, and OG&E has leveraged this to develop renewable energy resources and advanced transmission technology including phase-shifting transformers to deliver the renewable energy and mitigate congestion on the power grid. In 2018, OG&E owned and contracted for 844 MW of renewable electrical generation capacity from wind technologies. OG&E has also installed solar photovoltaic generation at three locations to gain experience with solar technology, the first of which were sited in 2014 on the rooftops of Company service center buildings in geographically diverse locations. During 2015, OG&E installed Oklahoma's first universal solar power plant, the 2.5 MW Mustang Solar Project at the Mustang Energy Center, and during 2018, placed into service a second 10 MW solar power plant in Covington, Oklahoma. OG&E offers customers, on a voluntary basis, an opportunity to purchase energy from these renewable energy generators, and is consistently listed in the National Renewable Energy Lab's (NREL) Top Ten Utility Green Pricing Programs.

The Company is highly committed to the growth and prosperity of our communities and customers and remain very connected to the places we serve and live and work. We have installed smart meters for virtually every customer in OG&E's service territory. With this technology, OG&E has developed customer use programs such as SmartHours, part of OG&E's Positive Energy Smart Grid Program, which was recently named the world's highest ranked smart grid project by VassaETT. SmartHours offers a Real Time Pricing option which communicates hourly prices to consumers, allowing them to shift their energy use to non-peak

periods. Although the program does not register a direct and measurable reduction in emissions, it is intended to educate customers about how energy usage compares with pricing which is expected to have a behavioral impact resulting in energy use and emission reductions. The smart meter technology also eliminates vehicle travel for meter reading activities and has reduced truck dispatches for service connects and disconnects. OG&E estimates this project has resulted in the avoidance of over 15.5 million miles travelled and 10,600 tons of CO2 emissions. OG&E promotes customer energy efficiency by providing demand-side management programs related to home and commercial energy efficiency, weatherization, and commercial lighting, saving more than 130,000 tons of CO2 in 2018. Electrification of fossil fueled commercial and industrial equipment allows customers to reduce their carbon footprint. Since 2016, OG&E has partnered with customers to electrify chillers, compressors, and drill rigs allowing the avoidance of an estimated 180,000 tons of CO2. The Company participates in the Energy Saving Trees Program has been a certified Tree Line USA utility for more than 20 years with our partner, the Arbor Day Foundation, distributing thousands of trees to date that will not only sequester carbon over their lifetime, but reduce demand from our power plants during the summer by providing shade at our customers' homes and cooling their communities.

The Company is electrifying its transportation and service vehicle fleets and expanding its electric vehicle ("EV") charging infrastructure. The Company plans to incrementally replace its sedan fleet until 100 percent are EVs. As in previous years, it added new vehicles in 2018, including sedans and electric utility vehicles.

During the last 5 years, approximately 95% of all fly ash from OG&E power plants was recovered and sold as a product to the cement industry. This practice reduces the amount of coal combustion by-product material that is landfilled and enables aggregate manufacturers to minimize mining and processing virgin materials, thereby reducing the emission of carbon dioxide. According to estimates from the American Coal Ash Association, OG&E ash recovery prevented approximately 1.4 million tons of CO2 from entering the atmosphere.

In 1999, OG&E was a charter member of a partnership formed with EPA and other utilities to reduce and report emissions of sulfur hexafluoride ("SF6") SF6 from electric transmission and distribution equipment. OG&E SF6 emissions have declined on the order of 90% since then to less than three-tenths of one percent of the Company's total Scope 1 and Scope 2 emissions. In addition to disclosure of GHG emissions in the CDP, the Company reports emissions to the EPA. In 2009, EPA adopted a comprehensive national system for reporting emissions of carbon dioxide and other greenhouse gases produced by major sources in the United States which includes certain OG&E facilities. OG&E began reporting carbon dioxide to EPA in 1995 and continues to do so quarterly.

C3.1d

(C3.1d) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios	Details
---------------------------	---------

<p>Other, please specify</p> <p>Carbon price included in resource planning</p>	<p>OG&E utilizes a CO2 price in a sensitivity analysis to understand the impact to generating portfolios with the addition of a cost on carbon dioxide. OG&E's current Integrated Resource Plan carbon price sensitivity utilizes a \$/ton CO2 price which creates price parity between different generation technologies. Integrated Resource Plans are required by the Oklahoma Corporation Commission to be updated at least every three years, but OG&E may update the plan more frequently. Scope 1 emissions are evaluated.</p>
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C-AC3.1e/C-CE3.1e/C-CH3.1e/C-CO3.1e/C-EU3.1e/C-FB3.1e/C-MM3.1e/C-OG3.1e/C-PF3.1e/C-ST3.1e/C-TO3.1e/C-TS3.1e

(C-AC3.1e/C-CE3.1e/C-CH3.1e/C-CO3.1e/C-EU3.1e/C-FB3.1e/C-MM3.1e/C-OG3.1e/C-PF3.1e/C-ST3.1e/C-TO3.1e/C-TS3.1e) Disclose details of your organization's low-carbon transition plan.

At the end of 2018, OGE Energy Corp set out emission reduction expectations for it's electric power subsidiary, Oklahoma Gas and Electric Co (OG&E). Beginning in 2019, we expect to see an approximately 40% CO2 emissions reduction from 2005 levels; an approximately 50% CO2 emissions reduction in 2030 from 2005 levels; and we expect, by 2050, to retire 95% of current fossil-fueled generation, cost effectively meeting our capacity requirements by replacing retiring generation with newer technology including high efficiency natural gas or zero-emitting technology such as renewables or batteries. Our analysis and comparison with peers in the US electric power industry strongly suggests that OG&E's emission reduction expectations are consistent with electric sector emission reduction scenarios considered likely to achieve the Paris Climate Agreement and IPCC goals of limiting global temperature increase to 2 degrees Celsius.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Scope

Scope 1

% emissions in Scope

99

Targeted % reduction from base year

40

Base year

2005

Start year

2018

Base year emissions covered by target (metric tons CO₂e)

21,445,571

Target year

2019

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

% of target achieved

87

Target status

New

Please explain

At the end of 2018, the Company set out emission reduction expectations for OG&E. Beginning in 2019, we expect to see an approximately 40% CO₂ emissions reduction from 2005 levels. Our analysis and comparison with peers in the US electric power industry strongly suggests that OG&E's emission reduction expectations are consistent with electric sector emission reduction scenarios considered likely to achieve the Paris Climate Agreement and IPCC goals of limiting global temperature increase to 2 degrees Celsius.

Target reference number

Abs 2

Scope

Scope 1

% emissions in Scope

99

Targeted % reduction from base year

50

Base year

2005

Start year

2018

Base year emissions covered by target (metric tons CO₂e)

21,445,571

Target year

2030

Is this a science-based target?

Yes, we consider this a science-based target, but this target has not been approved as science-based by the Science-Based Targets initiative

% of target achieved

69

Target status

New

Please explain

At the end of 2018, the Company set out emission reduction goals for OG&E. We expect to see an approximately 50% CO₂ emissions reduction in 2030 from 2005 levels. Our analysis and comparison with peers in the US electric power industry strongly suggests that OG&E's emission reduction expectations are consistent with electric sector emission reduction scenarios considered likely to achieve the Paris Climate Agreement and IPCC goals of limiting global temperature increase to 2 degrees Celsius.

Target reference number

Abs 3

Scope

Scope 1

% emissions in Scope

99

Targeted % reduction from base year

Base year

2005

Start year

2018

Base year emissions covered by target (metric tons CO2e)

21,445,571

Target year

2050

Is this a science-based target?

No, but we are reporting another target that is science-based

% of target achieved

Target status

New

Please explain

At the end of 2018, the Company set out emission reduction goals for OG&E. In addition to a 40% reduction in 2019 and a 50% reduction by 2030, we expect, by 2050, to retire 95% of current fossil-fueled generation, cost effectively meeting our capacity requirements by replacing retiring generation with newer technology including high efficiency natural gas or zero-emitting technology such as renewables or batteries.

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*		
Implementation commenced*	1	
Implemented*	2	

Not to be implemented		
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C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type

Other, please specify
Conversion of coal-fueled generating units to natural gas

Description of initiative

Estimated annual CO2e savings (metric tonnes CO2e)

5,000,000

Scope

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

Payback period

Estimated lifetime of the initiative

21-30 years

Comment

Beginning 2019, OG&E has converted two coal-fired generating units to natural gas, which is equivalent to approximately 40% of coal fleet generation capacity. Typical annual CO2 savings is provided.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
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Dedicated budget for energy efficiency	OG&E provides customer incentives for various types of energy efficiency, including, for example, home energy audits which inform homeowners of opportunities to reduce electricity consumption.
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C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Product

Description of product/Group of products

OG&E offers all customers the option to purchase power generated by renewable sources, from both wind and solar power plants.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Wind and solar-generated electricity is inherently carbon free

% revenue from low carbon product(s) in the reporting year

0.3

Comment

C-EU4.6

(C-EU4.6) Describe your organization's efforts to reduce methane emissions from your activities.

Methane emissions comprise a fraction of a percent of the Company's emissions, nevertheless, the business strategy as described in Section 3, including the conversion of two coal-fueled generating units to gas, increased deployment and enablement of renewable generation, our smart grid-based Smart Hours program, and load management practices in the OG&E service territory reduce methane emissions to the extent fossil-fueled generation is reduced.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2005

Base year end

December 31, 2005

Base year emissions (metric tons CO₂e)

21,445,571

Comment

Scope 2 (location-based)

Base year start

January 1, 2014

Base year end

December 31, 2014

Base year emissions (metric tons CO₂e)

259,254

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

Not applicable

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

US EPA Mandatory Greenhouse Gas Reporting Rule

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

14,129,995

Start date

January 1, 2018

End date

December 31, 2018

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

170,973

Start date

January 1, 2018

End date

December 31, 2018

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Not evaluated

Explanation

Capital goods

Evaluation status

Not evaluated

Explanation

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not evaluated

Explanation

Upstream transportation and distribution

Evaluation status

Not evaluated

Explanation

Waste generated in operations

Evaluation status

Not evaluated

Explanation

Business travel

Evaluation status

Not evaluated

Explanation

Employee commuting

Evaluation status

Not evaluated

Explanation

Upstream leased assets

Evaluation status

Not evaluated

Explanation

Downstream transportation and distribution

Evaluation status

Not evaluated

Explanation

Processing of sold products

Evaluation status

Not evaluated

Explanation

Use of sold products

Evaluation status

Not evaluated

Explanation

End of life treatment of sold products

Evaluation status

Not evaluated

Explanation

Downstream leased assets

Evaluation status

Not evaluated

Explanation

Franchises

Evaluation status

Not evaluated

Explanation

Investments

Evaluation status

Not evaluated

Explanation

Other (upstream)

Evaluation status

Not evaluated

Explanation

Other (downstream)

Evaluation status

Not evaluated

Explanation

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0063

Metric numerator (Gross global combined Scope 1 and 2 emissions)

14,300,968

Metric denominator

unit total revenue

Metric denominator: Unit total

2,270,300,000

Scope 2 figure used

Location-based

% change from previous year

7

Direction of change

Decreased

Reason for change

Higher proportion of low emission natural gas fuel relative to coal to generate power.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	14,016,575	Other, please specify US EPA 40 CFR 75 and 40 CFR 98 methodology
CH4	23,240	IPCC Second Assessment Report (SAR - 20 year)
N2O	48,820	IPCC Second Assessment Report (SAR - 20 year)
HFCs	1,551	IPCC Second Assessment Report (SAR - 20 year)
SF6	39,809	IPCC Fifth Assessment Report (AR5 – 100 year)

C-EU7.1b

(C-EU7.1b) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

	Gross Scope 1 CO2 emissions (metric tons CO2)	Gross Scope 1 methane emissions (metric tons CH4)	Gross Scope 1 SF6 emissions (metric tons SF6)	Gross Scope 1 emissions (metric tons CO2e)	Comment
Fugitives			39,809		
Combustion (Electric utilities)	14,016,575	1,107		14,079,081	
Combustion (Gas utilities)					Not applicable

Combustion (Other)				10,532	Vehicles
Emissions not elsewhere classified					Not applicable

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	14,129,995

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
OG&E	14,129,995

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Electric utility generation activities	14,129,995	

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)

United States of America	170,973	0	778	0
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C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
OG&E	170,973	0

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption				
Other emissions reduction activities				
Divestment				
Acquisitions				
Mergers				
Change in output	1,088,157	Decreased	7	Higher proportion of electric generation from low-emission natural gas-fueled power plants

Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 20% but less than or equal to 25%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	No
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No

Generation of electricity, heat, steam, or cooling	Yes
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C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of purchased or acquired electricity			778
Consumption of self-generated non-fuel renewable energy			
Total energy consumption			778

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	22,481,000	8,447	1,365,002	
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C-EU8.2e

(C-EU8.2e) For your electric utility activities, provide a breakdown of your total power plant capacity, generation, and related emissions during the reporting year by source.

Coal – hard

Nameplate capacity (MW)

2,568

Gross electricity generation (GWh)

8,866

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

8,762,463

Scope 1 emissions intensity (metric tons CO₂e per GWh)

988

Comment

Coal-fueled generation.

Lignite

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

OG&E does not utilize this fuel type

Oil

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

OG&E does not utilize this fuel type

Gas

Nameplate capacity (MW)

4,355

Gross electricity generation (GWh)

12,250

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)

5,303,034

Scope 1 emissions intensity (metric tons CO2e per GWh)

433

Comment

Low emission gas-fueled generation, including low-emitting combined cycle technology

Biomass

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)

Scope 1 emissions intensity (metric tons CO2e per GWh)

Comment

OG&E does not utilize this fuel type

Waste (non-biomass)

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)

Scope 1 emissions intensity (metric tons CO2e per GWh)

Comment

OG&E does not utilize this fuel type

Nuclear

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)

Scope 1 emissions intensity (metric tons CO2e per GWh)

Comment

OG&E does not utilize this fuel type

Geothermal

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)

Scope 1 emissions intensity (metric tons CO2e per GWh)

Comment

OG&E does not utilize this fuel type

Hydroelectric

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

Scope 1 emissions intensity (metric tons CO₂e per GWh)

Comment

OG&E does not utilize hydro

Wind

Nameplate capacity (MW)

452

Gross electricity generation (GWh)

1,339

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

0

Scope 1 emissions intensity (metric tons CO₂e per GWh)

0

Comment

OG&E-owned wind power plants. Wind power is zero emission

Solar

Nameplate capacity (MW)

13

Gross electricity generation (GWh)

26

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO₂e)

0

Scope 1 emissions intensity (metric tons CO₂e per GWh)

0

Comment

OG&E-owned solar power plants. Solarpower is zero emission

Other renewable

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)

Scope 1 emissions intensity (metric tons CO2e per GWh)

Comment

not applicable

Other non-renewable

Nameplate capacity (MW)

Gross electricity generation (GWh)

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)

Scope 1 emissions intensity (metric tons CO2e per GWh)

Comment

not applicable

Total

Nameplate capacity (MW)

7,375

Gross electricity generation (GWh)

22,481

Net electricity generation (GWh)

Absolute scope 1 emissions (metric tons CO2e)

14,065,497

Scope 1 emissions intensity (metric tons CO₂e per GWh)

626

Comment

Reflective of OG&E owned and operated power plants within OGE Energy's operational control boundary..

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

C-EU8.4

(C-EU8.4) Does your electric utility organization have a transmission and distribution business?

Yes

C-EU8.4a

(C-EU8.4a) Disclose the following information about your transmission and distribution business.

Country/Region

United States of America

Voltage level

Transmission (high voltage)

Annual load (GWh)

30,799

Scope 2 emissions (basis)

Location-based

Scope 2 emissions (metric tons CO₂e)

170,973

Annual energy losses (% of annual load)

4

Length of network (km)

34,400

Number of connections

Area covered (km²)

77,700

Comment

Energy losses are combined for the transmission and distribution systems. OG&E service territory is 30,000 square miles. Annual load is total disposition of energy from US FERC Form 1.

Country/Region

United States of America

Voltage level

Distribution (low voltage)

Annual load (GWh)

30,799

Scope 2 emissions (basis)

Location-based

Scope 2 emissions (metric tons CO₂e)

170,973

Annual energy losses (% of annual load)

4

Length of network (km)

3,200

Number of connections

Area covered (km²)

77,700

Comment

Energy losses are combined for the transmission and distribution systems. OG&E service territory is 30,000 square miles. Annual load is total disposition of energy from US FERC Form 1.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Metric value

Metric numerator

Metric denominator (intensity metric only)

% change from previous year

Direction of change

Please explain

C-EU9.5a

(C-EU9.5a) Break down, by source, your total planned CAPEX in your current CAPEX plan for power generation.

Primary power generation source	CAPEX planned for power generation from this source	Percentage of total CAPEX planned for power generation	End year of CAPEX plan	Comment
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C-EU9.5b

(C-EU9.5b) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Products and services	Description of product/service	CAPEX planned for product/service	Percentage of total CAPEX planned products and services	End of year CAPEX plan
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C-CO9.6/C-EU9.6/C-OG9.6

(C-CO9.6/C-EU9.6/C-OG9.6) Disclose your investments in low-carbon research and development (R&D), equipment, products, and services.

Investment start date

June 1, 2017

Investment end date

December 31, 2018

Investment area

R&D

Technology area

Other, please specify
Multiple products, services, technologies

Investment maturity

Applied research and development

Investment figure

25,000,000

Low-carbon investment percentage

Please explain

OGE Energy Corp. has joined with other energy companies in investing in Energy Impact Partners LP (EIP), a private equity firm that strategically invests in innovative technologies, services and products from electric generation to the end user. EIP seeks to bring the best companies, buying power and vision in the industry to bear on the emerging energy landscape by identifying and investing in innovative products, technologies, and business models for potential use within the utility industry. Examples of EIP investments include such areas as distributed energy resources, energy efficiency, and advanced energy storage.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Stress test investments

GHG Scope

Scope 1

Application

During Integrated Resource Planning, a carbon price is applied to existing and potential OG&E generating plants.

Actual price(s) used (Currency /metric ton)

20

Variance of price(s) used

The \$20 cost is added in 2025 and escalated 2.5% annually thereafter.

Type of internal carbon price

Shadow price

Impact & implication

OG&E utilizes a CO2 price in a sensitivity analysis to understand the impact to generating portfolios with the addition of a cost on carbon dioxide. OG&E's current Integrated Resource Plan carbon price sensitivity utilizes a \$/ton CO2 price which

creates price parity between different generation technologies. Scope 1 emissions are evaluated.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Climate change performance is featured in supplier awards scheme

% of suppliers by number

100

% total procurement spend (direct and indirect)

3

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

OG&E Supply Chain continues to develop strategy to evaluate environmental performance in supplier scorecards. Through its membership in the Electric Utility Industry Sustainable Supply Chain Alliance, OG&E has access to Life Cycle Analysis reports for major materials such as wood poles, transformers, and cable. The reports have identified environmental impact reduction opportunities to approach suppliers about adopting.

Impact of engagement, including measures of success

OG&E continued advancing our strategy by spending over \$30.8 million with 120 suppliers in 2018.

Comment

Type of engagement

Compliance & onboarding

Details of engagement

Climate change is integrated into supplier evaluation processes

% of suppliers by number

100

% total procurement spend (direct and indirect)

3

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Based in part on the OGE Code of Ethics, OG&E awards supplier business based on numerous criteria, including environmental performance.

Impact of engagement, including measures of success

OG&E continued advancing our strategy by spending over \$30.8 million with 120 suppliers in 2018.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

100

% Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

OG&E offers all customers, on a voluntary basis, an opportunity to purchase solar energy from renewable energy generating facilities, including wind and solar facilities.

Impact of engagement, including measures of success

These programs are routinely fully subscribed. Popularity is such that customers were placed on a wait list to purchase power from new solar facilities added in 2015 and 2017.

Type of engagement

Education/information sharing

Details of engagement

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

100

% Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

The Company has successfully installed smart meters for nearly all customers in OG&E's service territory and developed customer use programs such as SmartHours, part of OG&E's Positive Energy Smart Grid Program.

Impact of engagement, including measures of success

Virtually all of OG&E's customers have smart meters. The SmartHours program offers a Real Time Pricing option which communicates hourly prices to consumers, allowing them to shift their energy use to non-peak periods. Although the program does not register a direct and measurable reduction in emissions, it is intended to educate customers about how energy usage compares with pricing which is expected to have a behavioral impact resulting in energy use and emission reductions.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

100

% Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

OG&E has been a certified Tree Line USA utility for more than 20 years. Customers receive information concerning the value of trees in energy conservation, for example by providing windbreaks in the winter or shade in the summer. Energy conservation reduces energy consumption.

Impact of engagement, including measures of success

OG&E has distributed more than 183,000 loblolly pine seedlings at the Oklahoma State Fair.

Type of engagement

Education/information sharing

Details of engagement

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

100

% Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

This provides an incentive to reduce electricity consumption. As an example, the Residential Weatherization Program is a form of customer energy efficiency which reduces electricity consumption from home heating and cooling.

Impact of engagement, including measures of success

OG&E provided over \$15 million to customers in incentives for energy efficiency achievements.

Type of engagement

Collaboration & innovation

Details of engagement

Other – please provide information in column 5

% of customers by number

100

% Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

OG&E supports the roll-out of electric vehicles (EVs) in our communities. Throughout the year, OG&E sponsors numerous 'Ride and Drive' events at public venues and makes EVs from our fleet available for test drives. OG&E has an extensive website dedicated to education and information related to owning an EV, including such topics as charging, cost savings and emissions.

Impact of engagement, including measures of success

In 2017, OG&E offered all customers an incentive for the purchase of an electric vehicle. The incentive resulted in the purchase of 20 electric vehicles and likely displaced emissions from fossil fuel-powered vehicles.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Edison Electric Institute

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association's position

The Edison Electric Institute (EEI) position is that global climate change presents one of the biggest energy and environmental policy challenges this country has ever faced. EEI member companies are committed to addressing the challenge of climate change and have undertaken a wide range of initiatives over the last 30 years to reduce, avoid or sequester GHG emissions. Policies to address climate change should seek to minimize impacts on consumers and avoid harm to U.S. industry and the economy. As of the end of 2018, electric power sector CO₂ emissions had declined 27 percent from 2005 levels, driven in part by low natural gas prices, increased deployment of renewable generation

and customer demands.

<http://www.eei.org/issuesandpolicy/environment/climate/Pages/default.aspx>

How have you influenced, or are you attempting to influence their position?

No, the Company has not, nor is attempting to, influence EEI's position.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The Company's Board of Directors oversees all aspects of the company's businesses, including the regulatory and operating aspects. The Board's Nominating and Corporate Governance Committee is charged with reviewing and reporting to the Board on the Company's environmental initiatives and compliance strategies. Also, the Company's Risk Oversight Committee, comprised primarily of corporate officers, is responsible for the overall development, implementation and enforcement of strategies and policies for all risk management activities. The Risk Oversight Committee is authorized by, and reports quarterly to, the Audit Committee of the Board of Directors. The Company also has a Corporate Risk Management Department. This group, in conjunction with the aforementioned committees, is responsible for the process of establishing and enforcing the Company's risk policies, including evaluation of new or changed risk including those due to hazards or regulatory changes on climate-related issues. The identification, monitoring and management of proposed or enacted legislation or regulation relating to climate change is provided primarily through the Company's Corporate Environmental Department and business unit environmental management

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

 OGE-Corporate-Stewardship-Report-ISSUUv29.pdf

Page/Section reference

Corporate Stewardship Report - OGE Energy Corp. pages 22-25

Content elements

Governance
Emissions figures
Emission targets

Comment

Useful information also presented at OGE Energy Corp Stewardship webpage:
OGE<https://www.ogeenergy.com/stewardship/>

Publication

In mainstream reports

Status

Complete

Attach the document

 2018 OGE 10-K.pdf

Page/Section reference

US SEC Form 10-K, Calendar Year 2018 - OGE Energy Corp. - pages 63 and 114 regarding Climate Change and Greenhouse Gas Emissions, and the Clean Power Plan (US EPA regulation).

Content elements

Other, please specify

Disclosure of recognition of the potential for legislation and/or regulation which may affect certain OG&E power plants.

Comment

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

Job title	Corresponding job category
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Row 1	Director, Environmental Affairs and Federal Public Policy	Environment/Sustainability manager
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Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to
I am submitting my response	Public	Investors

Please confirm below

I have read and accept the applicable Terms