CLIMATE STEWARDSHIP



At OG&E, we know 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. We have a dual responsibility to protect our natural resources and to provide safe, reliable and reasonably priced power.

REDUCING GREENHOUSE GAS EMISSIONS

In addition to shifts in the way OG&E generates electricity, the company voluntarily invests in initiatives and technology that help reduce its environmental impacts, and encourages customers to join our efforts by becoming better energy managers.

- Industry Leader In fulfillment of our commitment to emissions reduction, have decreased carbon dioxide (CO₂) by over 40 percent, below 2005 levels. As part of our continuous and sustainable decline in emissions over time, OG&E is expecting to reduce our CO₂ emissions to 50 percent below 2005 levels by 2030. Between 2030 and 2050, OG&E expects to retire 95 percent of its 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."
- + Renewable Energy The Company continues to be an advocate for piloting and adopting cost effective renewable technology. OG&E offers customers an opportunity to purchase energy on a voluntary basis from its renewable energy generators and is consistently listed in the National Renewable Energy Lab's (NREL) Top Ten Utility Green Pricing Programs. OG&E's service territory borders one of the nation's best wind resource areas and OG&E owns and has contracted for 791 MW of wind-powered renewable electrical generation capacity. During 2015, OG&E installed Oklahoma's first universal solar power plant at the Mustang Energy Center and during 2018, placed into service a second 10 MW solar power plant in Covington, Oklahoma. In Feb. 2020, OG&E announced two new solar projects in Davis, Oklahoma and Durant, Oklahoma. Upon completion, OG&E's total solar capacity will be approximately 22.5 MW.

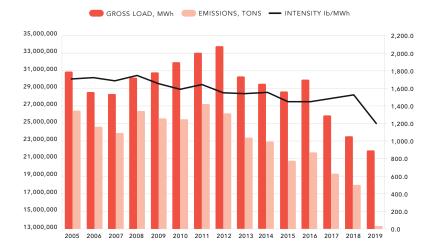
- OG&E's 2019 carbon intensity rate is 1,217 pounds CO₂e/gross MWh, or, equivalently, 0.55 metric tons of CO₂e per gross MWh.
- + OG&E publicly reports greenhouse gas emissions data to the EPA Greenhouse Gas Reporting Program and voluntarily completes the CDP climate change questionnaire.
- OG&E partners with customers to reduce greenhouse gas emissions by offering solar and wind power, energy efficiency education and smart grid-based energy management tools. Combined, these programs have displaced CO₂ emissions by more than 20 million tons (2005-2019).



REDUCING GREENHOUSE GAS EMISSIONS, CONTINUED

Energy Efficiency Programs – OG&E helps customers manage their energy use more efficiently by offering tools like myOGEpower, which allows customers to monitor usage, and by providing weatherization services and home energy efficiency audits. Working together with our customers, OG&E's energy efficiency programs have helped offset CO₂ emissions by over 1 million tons through 2019.

CARBON INTENSITY FROM OG&E'S FLEET - OWNED AND OPERATED FLEET



OG&E GENERATION

OG&E's generating fleet is comprised of coal-fired and natural gas-fired units, as well as 814 megawatts of renewable energy (including purchased power agreements). Since 2005, OG&E's rate of CO₂e emissions or carbon intensity has declined by more than 25 percent. The carbon intensity rate expresses calendar year CO₂e emissions intensity within OG&E's operational boundary. It combines gross electric generation from the solar, wind and fossil-fueled facilities the company owns and operates with continuously monitored CO₂ emissions from the fossil-fueled facilities the company owns and operates. OG&E's 2019 carbon intensity rate is 1,217 pounds of CO₂e per gross MWh, or, equivalently, 0.55 metric tons of CO₂e per MWh.

- The conversion of two coal-fueled units at the Muskogee Station to natural gas (equivalent to approximately 40 percent of current coal fleet generation capacity) cut the carbon intensity rate of those units in half beginning in 2019.
- + OG&E has modernized its Mustang power plant to retire aging equipment and replace it with efficient, natural gas-fueled, quick-start combustion turbines to assist with the incorporation of renewable generation technologies throughout the state and enhance grid reliability.

COMPLIANCE & REPORTING

OG&E meets all compliance and reporting requirements for greenhouse gases.

- Since 1995, OG&E has been reporting its power plant CO₂ emissions to the U.S. Environmental Protection Agency (EPA) in compliance with the Acid Rain Program¹. OG&E also reports all GHGs to comply with the EPA's Greenhouse Gas Reporting Program².
- + OG&E conducts annual greenhouse gas inventories and in 2007 began voluntarily reporting to the CDP (formerly known as the Carbon Disclosure Project).³

References

¹ Acid Rain Program: <u>http://www.epa.gov/airmarkets/progsregs/arp/index.html</u>

- ² EPA Greenhouse Gas Reporting Program: http://www.epa.gov/ghgreporting/
- ³ Carbon Disclosure Project: <u>https://www.cdp.net/</u>



We initiated an exclusive vehicle incentive of \$10,000 for OG&E customers for the 2017 all-electric Nissan LEAF with participating Nissan dealerships, resulting in the purchase of 20 LEAFs during the promotion period.



OG&E donated 495,000 energyefficient light bulbs to the Regional Food Bank for distribution to families in need. The program reached 123,750 families.



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