

OGE ENERGY CORP
Form U-3A-2
February 25, 2005

FILE NO. 069-00403

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM U-3A-2

STATEMENT BY HOLDING COMPANY CLAIMING EXEMPTION
UNDER RULE U-3A-2 FROM THE PROVISIONS OF THE
PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

To be Filed Annually Prior to March 1

OGE ENERGY CORP.

hereby files with the Securities and Exchange Commission, pursuant to Rule 2, its statement claiming exemption as a holding company from the provisions of the Public Utility Holding Company Act of 1935, and submits the following information:

1. Name, State of organization, location and nature of business of claimant and every subsidiary thereof, other than any exempt wholesale generator (EWG) or foreign utility company in which claimant directly or indirectly holds an interest.

OGE Energy Corp. (the Company) is a public utility holding company, which is incorporated in the State of Oklahoma and is located in Oklahoma City, Oklahoma. At December 31, 2004, the Company was not engaged in any business independent of that conducted through its subsidiaries, Oklahoma Gas and Electric Company (OG&E), Enogex Inc. and subsidiaries (Enogex) and Origen Inc. (Origen). The Company adopted Financial Accounting Standards Board Interpretation No. 46, Consolidation of Variable Interest Entities, an interpretation of Accounting Research Bulletin No. 51 effective December 31, 2003. The adoption of this new interpretation resulted in the consolidation of Energy Insurance Bermuda Ltd. Mutual Business Program No. 19 (MBP 19). Energy Insurance Bermuda Ltd. (EIB) is incorporated in Bermuda under the Companies Act of 1981, as amended. The Company began participating in EIB through MBP 19 on November 15, 1998. MBP 19 was established to provide \$15.0 million worth of property and liability insurance for the Company. Effective January 1, 2004, the reinsurer of the MBP 19 program agreed to remove the guarantee requirement which enabled the Company to terminate the standby letter of credit previously provided. However, the reinsurer added a ratings trigger requirement in the revised agreement such that if the commercial paper rating of the Company is lowered by two grades, MBP 19 may be surcharged an additional premium, which may result in an additional premium to the Company. Because the guarantee requirement was removed, the total equity investment at risk of MBP 19 was deemed sufficient to permit it to finance its activities without additional subordinated financial support from other parties. Therefore, effective

-1-

January 1, 2004, MBP 19 was not considered a variable interest entity as defined in Interpretation No. 46 which resulted in the deconsolidation of MBP 19 during the first quarter of 2004.

OG&E was incorporated on February 27, 1902, under the laws of the Territory of Oklahoma and now exists under and by virtue of the laws of the State of Oklahoma. OG&E is an operating electric public utility. Its operations are conducted predominantly in the State of Oklahoma. OG&E also conducts some operations in the State of Arkansas. Its business is more fully described in its Form 10-K for the year ended December 31, 2004 (File No. 1-1097) on file with the Commission.

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Enogex is a wholly-owned subsidiary of the Company. Enogex owns and operates a natural gas pipeline system that, among other things, delivers natural gas to OG&E's electric generating units. By order of the Commission dated August 28, 1986 (Release No. 35-24174), the Commission ordered that Enogex was not a gas utility company within the meaning of Section 2(a)(4) of the Public Utility Holding Company Act of 1935, as amended (the Act). At December 31, 2004, Enogex had four wholly-owned active subsidiaries: Enogex Products Corporation, OGE Energy Resources, Inc., Enogex Arkansas Pipeline Corporation and Enogex Gas Gathering, L.L.C. During the third quarter of 2004, Enogex entered into a joint venture arrangement with a third party and contributed certain of its natural gas compression assets to use in the joint venture, whose primary business focus will be the rental of compression assets. Enogex created a wholly-owned limited liability company, Enogex Compression Company, LLC (Enogex Compression), to act as the participating entity in the joint venture. Enogex Products Corporation owned a majority interest in Enogex Compression, although the actual ownership percentages may fluctuate based on the relative capital contributions of Enogex Compression and the third party member. At December 31, 2004, Enogex Arkansas Pipeline Corporation owned a 75 percent interest in the NOARK Pipeline System, Limited Partnership. The NOARK Pipeline System, Limited Partnership owned 100 percent interests in Ozark Gas Transmission, L.L.C., Ozark Gas Gathering, L.L.C. and NOARK Pipeline Finance, L.L.C. During 2004, NOARK Energy Services, L.L.C. was dissolved.

Enogex, including its subsidiaries, consists of three related businesses: (i) the transportation and storage of natural gas, (ii) the gathering and processing of natural gas and (iii) the marketing of natural gas. The subsidiaries of Enogex are not public utility companies within the meaning of the Act. Enogex and its subsidiaries were incorporated under the laws of the State of Oklahoma.

During 2003, Enogex Products Corporation sold its interest in the NuStar Joint Venture (NuStar). During 2004, the Company recognized approximately \$0.5 million after tax from funds received related to an overpayment for natural gas purchases in a prior period. As a result of these sale transactions, NuStar has been reported as discontinued operations for the year ended December 31, 2004.

-2-

Origen is a wholly-owned non-regulated subsidiary of the Company. Origen was incorporated under the laws of the State of Oklahoma. Origen is currently invested in a venture capital fund.

2. *A brief description of the properties of claimant and each of its subsidiary public utility companies used for the generation, transmission, and distribution of electric energy for sale, or for the production, transmission, and distribution of natural or manufactured gas, indicating the location of principal generating plants, transmission lines, producing fields, gas manufacturing plants, and electric and gas distribution facilities, including all such properties which are outside the State in which claimant and its subsidiaries are organized and all transmission or pipelines which deliver or receive electric energy or gas at the borders of such State.*

The Company owns no physical properties.

OG&E's principal properties are described in its Form 10-K for the year ended December 31, 2004 (File No. 1-1097) on file with the Commission.

3. *The following information for the last calendar year with respect to claimant and each of its subsidiary public utility companies:*

(a) *Number of Kwh of electric energy sold (at retail or wholesale), and Mcf of natural or manufactured gas distributed at retail:*

| | MCF | Kwh Sold | Dollar Revenues From Sales |
|--------------|------|-----------------------|----------------------------|
| Retail | None | 23,364,323,602 | \$ 1,486,559,330 |
| Wholesale | None | 1,400,539,798 | 57,757,594 |
| Total | | 24,764,863,400 | \$ 1,544,316,924 |

(b) *Number of Kwh of electric energy and Mcf of natural or manufactured gas distributed at retail outside the State of incorporation of exempt holding company, the volumes sold and related revenues at retail in (a) above:*

| | MCF | Kwh Sold | Dollar Retail Revenues |
|----------|------|---------------|------------------------|
| Arkansas | None | 2,601,483,649 | \$ 142,772,734 |

(c) *Number of Kwh of electric energy and Mcf of natural or manufactured gas sold at wholesale outside the State or at the State line (please identify which) of the State of incorporation of exempt holding company, the volumes sold and related revenues at wholesale in (a) above:*

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| | MCF | Kwh Sold | Dollar Wholesale Revenues | |
|------------|------|-------------|---------------------------|------------|
| Arkansas | None | 862,149,452 | \$ | 38,326,244 |
| State Line | None | 10,604,000 | | 641,932 |
| Total | | 872,753,452 | \$ | 38,968,176 |

-3-

(d) Number of Kwh of electric energy and Mcf of natural or manufactured gas purchased outside the State in which each such company is organized or at the State line:

| | Total Company | Arkansas | State Line (Other Utilities) |
|-----------------|---------------|------------|---------------------------------|
| MCF | None | -- | -- |
| Kwh by OG&E | 1,372,340,000 | 7,074,000 | 1,365,266,000 |
| Revenue by OG&E | \$ 62,497,794 | \$ 282,695 | \$ 62,215,099 |

4. The following information for the reporting period with respect to claimant and each interest it holds directly or indirectly in an EWG or a foreign utility company, stating monetary amounts in United States dollars:

(a) Name, location, business address and description of the facilities used by the EWG or foreign utility company for the generation, transmission and distribution of electric energy for sale or for the distribution at retail of natural or manufactured gas.

(b) Name of each system company that holds an interest in such EWG or foreign utility company; and description of the interest held.

(c) Type and amount of capital invested, directly or indirectly, by the holding company claiming exemption; any direct or indirect guarantee of the security of the EWG or foreign utility company by the holding company claiming exemption; and any debt or other financial obligation for which there is recourse, directly or indirectly, to the holding company claiming exemption or another system company, other than the EWG or foreign utility company.

(d) Capitalization and earnings of the EWG or foreign utility company during the reporting period.

(e) Identify any service, sales or construction contract(s) between the EWG or foreign utility company and a system company, and describe the services to be rendered or goods sold and fees or revenues under such agreement(s).

Item 4 is not applicable. At December 31, 2004, the Company did not hold directly or indirectly any interest in an EWG or a foreign utility company.

-4-

EXHIBITS

- A. Unaudited Consolidating Statement of Operations and Retained Earnings for the year ended December 31, 2004, and Unaudited Consolidating Balance Sheet at December 31, 2004, for OGE Energy Corp. (the Company) and its subsidiary companies.
- B. An organizational chart showing the relationship of each EWG or foreign utility company to associate companies in the holding-company system.

Exhibit B is not applicable. At December 31, 2004, the Company did not hold directly or indirectly any interest in an EWG or a foreign utility company.

-5-

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ASSETS

CURRENT ASSETS

| | | | | | | |
|---|---------|-------|---------|--------|--------|---------|
| Cash and cash equivalents | \$ 10.9 | \$ - | \$ 15.3 | \$ 0.2 | \$ - | \$ 26.4 |
| Accounts receivable, net | 0.3 | 105.4 | 382.2 | - | - | 487.9 |
| Accounts receivable - affiliates | 24.8 | - | 20.6 | - | (45.4) | - |
| Advances to parent | - | 26.5 | 56.0 | 1.0 | (83.5) | - |
| Accrued unbilled revenues | - | 45.5 | - | - | - | 45.5 |
| Fuel inventories | - | 42.2 | 46.8 | - | - | 89.0 |
| Materials and supplies, at average cost | 1.9 | 50.3 | 1.0 | - | - | 53.2 |
| Price risk management | - | - | 119.2 | - | (0.6) | 118.6 |
| Gas imbalances | - | - | 100.1 | - | - | 100.1 |
| Accumulated deferred tax assets | 1.2 | 9.0 | 3.2 | - | 0.3 | 13.7 |
| Fuel clause under recoveries | - | 54.3 | - | - | - | 54.3 |
| Recoverable take or pay gas charges | - | 17.0 | - | - | - | 17.0 |
| Other | 2.1 | 6.0 | 5.6 | - | (0.2) | 13.5 |

| | | | | | | |
|----------------------|------|-------|-------|-----|---------|---------|
| Total current assets | 41.2 | 356.2 | 750.0 | 1.2 | (129.4) | 1,019.2 |
|----------------------|------|-------|-------|-----|---------|---------|

OTHER PROPERTY AND INVESTMENTS,

| | | | | | | |
|---------|---------|-----|-----|-----|-----------|------|
| at cost | 1,648.4 | 4.8 | 1.5 | 0.4 | (1,623.7) | 31.4 |
|---------|---------|-----|-----|-----|-----------|------|

PROPERTY, PLANT AND EQUIPMENT

| | | | | | | |
|-------------------------------|------|---------|---------|---|---|---------|
| In service | 62.8 | 4,539.0 | 1,355.8 | - | - | 5,957.6 |
| Construction work in progress | 2.5 | 94.4 | 13.6 | - | - | 110.5 |
| Other | - | 1.0 | 4.8 | - | - | 5.8 |

| | | | | | | |
|-------------------------------------|------|---------|---------|---|---|---------|
| Total property, plant and equipment | 65.3 | 4,634.4 | 1,374.2 | - | - | 6,073.9 |
| Less accumulated depreciation | 49.4 | 2,085.8 | 357.7 | - | - | 2,492.9 |

| | | | | | | |
|-----------------------------------|------|---------|---------|---|---|---------|
| Net property, plant and equipment | 15.9 | 2,548.6 | 1,016.5 | - | - | 3,581.0 |
|-----------------------------------|------|---------|---------|---|---|---------|

DEFERRED CHARGES AND OTHER ASSETS

| | | | | | | |
|--|------|------|------|---|---|------|
| Income taxes recoverable from customers, net | - | 30.9 | - | - | - | 30.9 |
| Intangible assets - unamortized prior service cost | 6.1 | 31.8 | 0.1 | - | - | 38.0 |
| Prepaid benefit obligation | 17.4 | 67.2 | 8.1 | - | - | 92.7 |
| Price risk management | - | 3.9 | 15.7 | - | - | 19.6 |
| Other | 0.9 | 40.8 | 15.8 | - | - | 57.5 |

| | | | | | | |
|---|------|-------|------|---|---|-------|
| Total deferred charges and other assets | 24.4 | 174.6 | 39.7 | - | - | 238.7 |
|---|------|-------|------|---|---|-------|

| | | | | | | |
|--------------|------------|------------|------------|--------|--------------|------------|
| TOTAL ASSETS | \$ 1,729.9 | \$ 3,084.2 | \$ 1,807.7 | \$ 1.6 | \$ (1,753.1) | \$ 4,870.3 |
|--------------|------------|------------|------------|--------|--------------|------------|

Exhibit A

OGE Energy Corp.
Consolidating Balance Sheet
December 31, 2004
(Unaudited)

| | | | | | | |
|---------------|------------------|-----------------------------------|-------------|-------------|---------------------------|-----------------------------|
| (In millions) | OGE Energy Corp. | Oklahoma Gas and Electric Company | Enogex Inc. | Origen Inc. | Consolidating Adjustments | OGE Consolidated Statements |
|---------------|------------------|-----------------------------------|-------------|-------------|---------------------------|-----------------------------|

LIABILITIES AND STOCKHOLDERS EQUITY

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CURRENT LIABILITIES

| | | | | | | |
|---|----------|------|-------|------|--------|----------|
| Short-term debt | \$ 125.0 | \$ - | \$ - | \$ - | \$ - | \$ 125.0 |
| Accounts payable - affiliates | - | 45.4 | - | - | (45.4) | - |
| Accounts payable - other | 3.3 | 93.0 | 379.9 | - | - | 476.2 |
| Advances from subsidiary | 83.5 | - | - | - | (83.5) | - |
| Dividends payable | 29.9 | - | - | - | - | 29.9 |
| Customers' deposits | - | 45.6 | 2.7 | - | - | 48.3 |
| Accrued taxes | (14.0) | 20.4 | 7.7 | - | - | 14.1 |
| Accrued interest | 0.6 | 16.4 | 16.2 | - | - | 33.2 |
| Tax collections payable | - | 7.1 | 0.1 | - | - | 7.2 |
| Accrued vacation | 3.4 | 11.6 | 2.9 | - | - | 17.9 |
| Long-term debt due within one year | - | - | 35.1 | - | - | 35.1 |
| Non-recourse debt of joint venture | - | - | 1.2 | - | - | 1.2 |
| Price risk management | - | 0.1 | 102.8 | - | - | 102.9 |
| Gas imbalances | - | 0.1 | 22.7 | - | - | 22.8 |
| Provision for payments of take or pay gas | - | 21.0 | - | - | - | 21.0 |
| Other | 6.5 | 21.4 | 12.7 | - | - | 40.6 |

| | | | | | | |
|---------------------------|-------|-------|-------|---|---------|-------|
| Total current liabilities | 238.2 | 282.1 | 584.0 | - | (128.9) | 975.4 |
|---------------------------|-------|-------|-------|---|---------|-------|

LONG-TERM DEBT

| | | | | | | |
|------------------------------------|------|-------|-------|---|---|---------|
| Long-term debt | 99.1 | 847.2 | 438.8 | - | - | 1,385.1 |
| Non-recourse debt of joint venture | - | - | 39.0 | - | - | 39.0 |

| | | | | | | |
|----------------------|------|-------|-------|---|---|---------|
| Total long-term debt | 99.1 | 847.2 | 477.8 | - | - | 1,424.1 |
|----------------------|------|-------|-------|---|---|---------|

DEFERRED CREDITS AND OTHER LIABILITIES

| | | | | | | |
|---|-------|-------|-------|---|---|-------|
| Accrued pension and benefit obligations | 34.0 | 155.5 | 7.5 | - | - | 197.0 |
| Accumulated deferred income taxes | (2.5) | 570.4 | 234.1 | - | - | 802.0 |
| Accumulated deferred investment tax credits | - | 36.8 | - | - | - | 36.8 |
| Accrued removal obligations, net | - | 122.2 | - | - | - | 122.2 |
| Asset retirement obligation | - | 1.1 | - | - | - | 1.1 |
| Price risk management | - | - | 6.6 | - | - | 6.6 |
| Other | 11.0 | 6.5 | 2.0 | - | - | 19.5 |

| | | | | | | |
|--|------|-------|-------|---|---|---------|
| Total deferred credits and other liabilities | 42.5 | 892.5 | 250.2 | - | - | 1,185.2 |
|--|------|-------|-------|---|---|---------|

STOCKHOLDERS' EQUITY

| | | | | | | |
|---|--------|--------|-------|-------|-----------|--------|
| Common stockholders' equity | 700.8 | 665.5 | 430.2 | 5.0 | (1,100.7) | 700.8 |
| Retained earnings (deficit) | 660.3 | 461.0 | 65.4 | (3.4) | (523.5) | 659.8 |
| Accumulated other comprehensive income (loss), net of tax | (11.0) | (64.1) | 0.1 | - | - | (75.0) |

| | | | | | | |
|----------------------------|---------|---------|-------|-----|-----------|---------|
| Total stockholders' equity | 1,350.1 | 1,062.4 | 495.7 | 1.6 | (1,624.2) | 1,285.6 |
|----------------------------|---------|---------|-------|-----|-----------|---------|

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

| | | | | | |
|------------|------------|------------|--------|--------------|------------|
| \$ 1,729.9 | \$ 3,084.2 | \$ 1,807.7 | \$ 1.6 | \$ (1,753.1) | \$ 4,870.3 |
|------------|------------|------------|--------|--------------|------------|

Exhibit A

OGE Energy Corp.
Consolidating Statement of Operations
Year Ended December 31, 2004
(Unaudited)

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| (In millions, except per share data) | OGE Energy Corp. | Oklahoma Gas and Electric Company | Enogex Inc. | Origen Inc. | Consolidating Adjustments | OGE Consolidated Statements |
|--|------------------------|---|----------------|----------------|------------------------------|-----------------------------------|
| OPERATING REVENUES | | | | | | |
| Electric Utility operating revenues | \$ - | \$ 1,578.1 | \$ - | \$ - | \$ - | \$ 1,578.1 |
| Natural Gas Pipeline operating revenues | - | - | 3,443.9 | - | (95.4) | 3,348.5 |
| Total operating revenues | - | 1,578.1 | 3,443.9 | - | (95.4) | 4,926.6 |
| COST OF GOODS SOLD | | | | | | |
| Electric Utility cost of goods sold | - | 914.5 | - | - | (49.5) | 865.0 |
| Natural Gas Pipeline cost of goods sold | - | - | 3,142.9 | - | (45.2) | 3,097.7 |
| Total cost of goods sold | - | 914.5 | 3,142.9 | - | (94.7) | 3,962.7 |
| Gross margin on revenues | - | 663.6 | 301.0 | - | (0.7) | 963.9 |
| Other operation and maintenance | (11.2) | 301.9 | 101.5 | - | - | 392.2 |
| Depreciation | 8.3 | 122.7 | 47.6 | - | - | 178.6 |
| Impairment of assets | - | - | 7.8 | - | - | 7.8 |
| Taxes other than income | 3.3 | 47.0 | 17.5 | - | - | 67.8 |
| OPERATING INCOME (LOSS) | (0.4) | 192.0 | 126.6 | - | (0.7) | 317.5 |
| OTHER INCOME (EXPENSE) | | | | | | |
| Other income | 1.5 | 6.1 | 4.5 | - | - | 12.1 |
| Other expense | (2.1) | (2.7) | (0.7) | - | - | (5.5) |
| Net other income (expense) | (0.6) | 3.4 | 3.8 | - | - | 6.6 |
| INTEREST INCOME (EXPENSE) | | | | | | |
| Interest income | 1.3 | 2.7 | 3.5 | - | (2.3) | 5.2 |
| Interest on long-term debt | (0.6) | (36.9) | (36.9) | - | - | (74.4) |
| Interest expense - unconsolidated affiliate | (13.7) | - | - | - | - | (13.7) |
| Allowance for borrowed funds used during construction | - | 1.7 | - | - | - | 1.7 |
| Interest on short-term debt and other interest charges | (9.1) | (2.3) | (0.6) | - | 2.3 | (9.7) |
| Net interest expense | (22.1) | (34.8) | (34.0) | - | - | (90.9) |
| INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE TAXES | (23.1) | 160.6 | 96.4 | - | (0.7) | 233.2 |
| INCOME TAX EXPENSE (BENEFIT) | (9.0) | 53.0 | 36.2 | 0.3 | (0.3) | 80.2 |
| INCOME (LOSS) FROM CONTINUING OPERATIONS | (14.1) | 107.6 | 60.2 | (0.3) | (0.4) | 153.0 |
| DISCONTINUED OPERATIONS | | | | | | |
| Income from discontinued operations | - | - | 0.8 | - | - | 0.8 |
| Income tax expense | - | - | 0.3 | - | - | 0.3 |
| Income from discontinued operations | - | - | 0.5 | - | - | 0.5 |

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| | | | | | | |
|---|----------|----------|---------|----------|------------|----------|
| INCOME (LOSS) BEFORE CONTRIBUTION FROM SUBSIDIARIES | (14.1) | 107.6 | 60.7 | (0.3) | (0.4) | 153.5 |
| INCOME FROM SUBSIDIARIES | 168.1 | - | - | - | (168.1) | - |
| NET INCOME (LOSS) | \$ 154.0 | \$ 107.6 | \$ 60.7 | \$ (0.3) | \$ (168.5) | \$ 153.5 |
| BASIC AVERAGE COMMON SHARES OUTSTANDING | | | | | | 88.0 |
| DILUTED AVERAGE COMMON SHARES OUTSTANDING | | | | | | 88.5 |
| BASIC EARNINGS PER AVERAGE COMMON SHARE | | | | | | |
| Income from continuing operations | | | | | | \$ 1.73 |
| Income from discontinued operations, net of tax | | | | | | 0.01 |
| NET INCOME | | | | | | \$ 1.74 |
| DILUTED EARNINGS PER AVERAGE COMMON SHARE | | | | | | |
| Income from continuing operations | | | | | | \$ 1.72 |
| Income from discontinued operations, net of tax | | | | | | 0.01 |
| NET INCOME | | | | | | \$ 1.73 |

Exhibit A

OGE Energy Corp.
Consolidating Statement of Retained Earnings
Year Ended December 31, 2004
(Unaudited)

| (In millions) | OGE Energy Corp. | Oklahoma Gas and Electric Company | Enogex Inc. | Origen Inc. | Energy Insurance MBP No. 19 | Consolidating Adjustments | OGE Consolidated Statements |
|--|------------------|-----------------------------------|-------------|-------------|-----------------------------|---------------------------|-----------------------------|
| BALANCE AT BEGINNING OF PERIOD | \$ 623.9 | \$ 460.9 | \$ 18.8 | \$ (3.1) | \$ 0.2 | \$ (476.8) | \$ 623.9 |
| ADD: Net income (loss) | 154.0 | 107.6 | 60.7 | (0.3) | - | (168.5) | 153.5 |
| Total | 777.9 | 568.5 | 79.5 | (3.4) | 0.2 | (645.3) | 777.4 |
| DEDUCT: Dividends declared on common stock | 117.6 | 107.5 | 14.1 | - | - | (121.6) | 117.6 |
| Deconsolidation of MBP No. 19 | - | - | - | - | 0.2 | (0.2) | - |
| BALANCE AT END OF PERIOD | \$ 660.3 | \$ 461.0 | \$ 65.4 | \$ (3.4) | \$ - | \$ (523.5) | \$ 659.8 |

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Exhibit A

Enogex Inc.
Consolidating Balance Sheet
December 31, 2004
(Unaudited)

| (In millions) | Enogex Inc. | Enogex Products Corporation | OGE Energy Resources Inc. | Enogex Arkansas Pipeline Corp. | Enogex Gas Gathering, L.L.C. | Consolidating Adjustments | Enogex Consolidated Statements |
|--|-------------------|-----------------------------------|------------------------------------|---|------------------------------------|------------------------------|--------------------------------------|
| ASSETS | | | | | | | |
| CURRENT ASSETS | | | | | | | |
| Cash and cash equivalents | \$ - | \$ 0.2 | \$ 11.9 | \$ 3.2 | \$ - | \$ - | \$ 15.3 |
| Accounts receivable, net | 11.4 | 16.6 | 345.3 | 3.3 | 5.6 | - | 382.2 |
| Accounts receivable - affiliates | 37.7 | - | - | 3.8 | - | (20.9) | 20.6 |
| Advances to subsidiary | 159.5 | - | - | - | - | (159.5) | - |
| Advances to parent | 56.0 | 282.3 | - | - | - | (282.3) | 56.0 |
| Fuel inventories | 17.5 | 0.3 | 29.0 | - | - | - | 46.8 |
| Materials and supplies, at average cost | 1.0 | - | - | - | - | - | 1.0 |
| Price risk management | - | - | 119.2 | - | - | - | 119.2 |
| Gas imbalances | 22.6 | 1.0 | 81.6 | 0.5 | - | (5.6) | 100.1 |
| Accumulated deferred tax assets | 3.2 | (0.2) | 0.2 | - | - | - | 3.2 |
| Other | 2.4 | - | 2.5 | 0.1 | 0.6 | - | 5.6 |
| Total current assets | 311.3 | 300.2 | 589.7 | 10.9 | 6.2 | (468.3) | 750.0 |
| OTHER PROPERTY AND INVESTMENTS, at cost | 524.9 | - | - | - | - | (523.4) | 1.5 |
| PROPERTY, PLANT AND EQUIPMENT | | | | | | | |
| In service | 727.7 | 73.2 | 7.3 | 144.9 | 402.7 | - | 1,355.8 |
| Construction work in progress | 8.9 | 1.2 | 0.2 | 0.2 | 3.1 | - | 13.6 |
| Other | - | 2.7 | - | 2.0 | 0.1 | - | 4.8 |
| Total property, plant and equipment | 736.6 | 77.1 | 7.5 | 147.1 | 405.9 | - | 1,374.2 |
| Less accumulated depreciation | 150.1 | 26.0 | 6.8 | 18.8 | 156.0 | - | 357.7 |
| Net property, plant and equipment | 586.5 | 51.1 | 0.7 | 128.3 | 249.9 | - | 1,016.5 |
| DEFERRED CHARGES AND OTHER ASSETS | | | | | | | |
| Intangible asset - unamortized prior service cost | 0.1 | - | - | - | - | - | 0.1 |
| Prepaid benefit obligation | 8.1 | - | - | - | - | - | 8.1 |
| Price risk management | 4.0 | - | 11.7 | - | - | - | 15.7 |
| Other | 2.4 | 5.3 | - | 4.6 | 3.5 | - | 15.8 |
| Total deferred charges and other assets | 14.6 | 5.3 | 11.7 | 4.6 | 3.5 | - | 39.7 |
| TOTAL ASSETS | \$ 1,437.3 | \$ 356.6 | \$ 602.1 | \$ 143.8 | \$ 259.6 | \$ (991.7) | \$ 1,807.7 |

Exhibit A

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Enogex Inc.
Consolidating Balance Sheet
December 31, 2004
(Unaudited)

| (In millions) | Enogex Inc. | Enogex Products Corporation | OGE Energy Resources Inc. | Enogex Arkansas Pipeline Corp. | Enogex Gas Gathering, L.L.C. | Consolidating Adjustments | Enogex Consolidated Statements |
|---|-------------------|-----------------------------------|------------------------------------|---|------------------------------------|------------------------------|--------------------------------------|
| LIABILITIES AND STOCKHOLDERS EQUITY | | | | | | | |
| CURRENT LIABILITIES | | | | | | | |
| Accounts payable - affiliates | \$ (8.8) | \$ 7.1 | \$ 19.0 | \$ 0.3 | \$ 3.3 | \$ (20.9) | \$ - |
| Advances from parent | - | - | 111.3 | 48.2 | - | (159.5) | - |
| Advances from subsidiary | 282.3 | - | - | - | - | (282.3) | - |
| Accounts payable | 44.2 | 5.9 | 324.0 | 5.8 | - | - | 379.9 |
| Customers deposits | 1.5 | - | 1.2 | - | - | - | 2.7 |
| Accrued taxes | 4.7 | 0.3 | 0.2 | 0.9 | 1.6 | - | 7.7 |
| Accrued interest | 15.8 | - | - | 0.4 | - | - | 16.2 |
| Tax collection payable | 0.1 | - | - | - | - | - | 0.1 |
| Accrued vacation | 2.9 | - | - | - | - | - | 2.9 |
| Long-term debt due within one year | 34.3 | - | - | 0.8 | - | - | 35.1 |
| Non-recourse debt of joint venture | - | - | - | 1.2 | - | - | 1.2 |
| Price risk management | - | - | 102.8 | - | - | - | 102.8 |
| Gas imbalances | 19.3 | - | 8.5 | 0.5 | - | (5.6) | 22.7 |
| Other | 8.5 | 2.0 | 1.3 | - | 0.9 | - | 12.7 |
| Total current liabilities | 404.8 | 15.3 | 568.3 | 58.1 | 5.8 | (468.3) | 584.0 |
| LONG-TERM DEBT | | | | | | | |
| Long-term debt | 412.8 | - | - | 26.0 | - | - | 438.8 |
| Non-recourse debt of joint venture | - | - | - | 39.0 | - | - | 39.0 |
| Total long-term debt | 412.8 | - | - | 65.0 | - | - | 477.8 |
| DEFERRED CREDITS AND OTHER LIABILITIES | | | | | | | |
| Accrued pension and benefit obligations | 7.5 | - | - | - | - | - | 7.5 |
| Accumulated deferred income taxes | 116.6 | 16.2 | (0.2) | 17.8 | 83.7 | - | 234.1 |
| Price risk management | - | - | 6.6 | - | - | - | 6.6 |
| Other | 1.3 | 0.6 | - | - | 0.1 | - | 2.0 |
| Total deferred credits and other liabilities | 125.4 | 16.8 | 6.4 | 17.8 | 83.8 | - | 250.2 |
| STOCKHOLDERS EQUITY | | | | | | | |
| Common stockholders equity | 430.3 | 267.0 | 15.0 | - | 162.6 | (444.7) | 430.2 |
| Retained earnings | 65.4 | 56.0 | 12.4 | 2.9 | 7.4 | (78.7) | 65.4 |
| Accumulated other comprehensive income, net of tax | (1.4) | 1.5 | - | - | - | - | 0.1 |
| Total stockholders equity | 494.3 | 324.5 | 27.4 | 2.9 | 170.0 | (523.4) | 495.7 |
| TOTAL LIABILITIES AND STOCKHOLDERS EQUITY | \$ 1,437.3 | \$ 356.6 | \$ 602.1 | \$ 143.8 | \$ 259.6 | \$ (991.7) | \$ 1,807.7 |

Exhibit A

Edgar Filing: OGE ENERGY CORP - Form U-3A-2

Enogex Inc.
 Consolidating Statement of Income
 Year Ended December 31, 2004
 (Unaudited)

| (In millions) | Enogex Inc. | Enogex Products Corporation | OGE Energy Resources Inc. | Enogex Arkansas Pipeline Corp. | Enogex Gas Gathering, L.L.C. | Consolidating Adjustments | Enogex Consolidated Statements |
|--|----------------|-----------------------------------|------------------------------------|---|---------------------------------------|------------------------------|--------------------------------------|
| OPERATING REVENUES | \$ 249.4 | \$ 217.8 | \$ 3,056.1 | \$ 77.3 | \$ 348.9 | \$ (505.6) | \$ 3,443.9 |
| COST OF GOODS SOLD | 134.7 | 162.6 | 3,032.3 | 54.5 | 264.3 | (505.5) | 3,142.9 |
| Gross margin on revenues | 114.7 | 55.2 | 23.8 | 22.8 | 84.6 | (0.1) | 301.0 |
| Other operation and maintenance | 27.1 | 15.8 | 12.4 | 7.1 | 39.2 | (0.1) | 101.5 |
| Depreciation | 17.1 | 3.2 | 1.4 | 3.5 | 22.4 | - | 47.6 |
| Impairment of assets | 8.8 | (1.1) | - | - | 0.1 | - | 7.8 |
| Taxes other than income | 11.7 | 0.9 | 0.6 | 1.1 | 3.2 | - | 17.5 |
| OPERATING INCOME | 50.0 | 36.4 | 9.4 | 11.1 | 19.7 | - | 126.6 |
| OTHER INCOME (EXPENSE) | | | | | | | |
| Other income | 1.3 | 2.4 | 0.1 | - | 0.7 | - | 4.5 |
| Other expense | (0.1) | - | - | (0.6) | - | - | (0.7) |
| Net other income (expense) | 1.2 | 2.4 | 0.1 | (0.6) | 0.7 | - | 3.8 |
| INTEREST INCOME (EXPENSE) | | | | | | | |
| Interest income | 3.1 | - | 0.1 | 0.3 | - | - | 3.5 |
| Interest on long-term debt | (31.9) | - | - | (5.0) | - | - | (36.9) |
| Interest on short-term debt and other interest charges | (0.3) | - | - | (0.3) | - | - | (0.6) |
| Net interest income (expense) | (29.1) | - | 0.1 | (5.0) | - | - | (34.0) |
| INCOME FROM CONTINUING OPERATIONS BEFORE TAXES | 22.1 | 38.8 | 9.6 | 5.5 | 20.4 | - | 96.4 |
| INCOME TAX EXPENSE | 9.2 | 13.2 | 3.7 | 1.9 | 8.2 | - | 36.2 |
| INCOME FROM CONTINUING OPERATIONS | 12.9 | 25.6 | 5.9 | 3.6 | 12.2 | - | 60.2 |
| DISCONTINUED OPERATIONS | | | | | | | |
| Income from discontinued operations | 0.8 | 0.8 | - | - | - | (0.8) | 0.8 |
| Income tax expense | 0.3 | 0.3 | - | - | - | (0.3) | 0.3 |
| Income from discontinued operations | 0.5 | 0.5 | - | - | - | (0.5) | 0.5 |
| INCOME BEFORE INCOME FROM SUBSIDIARIES | 13.4 | 26.1 | 5.9 | 3.6 | 12.2 | (0.5) | 60.7 |
| INCOME FROM SUBSIDIARIES | 47.3 | - | - | - | - | (47.3) | - |

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NET INCOME \$ 60.7 \$ 26.1 \$ 5.9 \$ 3.6 \$ 12.2 \$ (47.8) \$ 60.7

Exhibit A

Enogex Inc.
Consolidating Statement of Retained Earnings
Year Ended December 31, 2004
(Unaudited)

| (In millions) | Enogex Inc. | Enogex Products Corporation | OGE Energy Inc. | Enogex Arkansas Pipeline Corp. | Enogex Gas Gathering, L.L.C. | Consolidating Adjustments | Enogex Consolidated Statements |
|--|-------------|-----------------------------|-----------------|--------------------------------|------------------------------|---------------------------|--------------------------------|
| BALANCE AT BEGINNING OF PERIOD | \$ 18.8 | \$ 29.9 | \$ 6.5 | \$ (0.7) | \$ (4.8) | \$ (30.9) | \$ 18.8 |
| ADD: Net income | 60.7 | 26.1 | 5.9 | 3.6 | 12.2 | (47.8) | 60.7 |
| Total | 79.5 | 56.0 | 12.4 | 2.9 | 7.4 | (78.7) | 79.5 |
| DEDUCT: Dividends declared on common stock | 14.1 | - | - | - | - | - | 14.1 |
| BALANCE AT END OF PERIOD | \$ 65.4 | \$ 56.0 | \$ 12.4 | \$ 2.9 | \$ 7.4 | \$ (78.7) | \$ 65.4 |

Exhibit A

Enogex Products Corporation
Consolidating Balance Sheet
December 31, 2004
(Unaudited)

| (In millions) | Enogex Products Corporation | Enogex Compression Company, LLC | Consolidating Adjustments | EPC Consolidated Statements |
|---|-----------------------------|---------------------------------|---------------------------|-----------------------------|
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | \$ - | \$ 0.2 | \$ - | \$ 0.2 |
| Accounts receivable, net | 16.6 | - | - | 16.6 |
| Advances to parent | 282.3 | - | - | 282.3 |
| Fuel inventories | 0.3 | - | - | 0.3 |
| Gas imbalances | 1.0 | - | - | 1.0 |
| Accumulated deferred tax assets | (0.2) | - | - | (0.2) |
| Total current assets | 300.0 | 0.2 | - | 300.2 |
| OTHER PROPERTY AND INVESTMENTS, at cost | 3.9 | - | (3.9) | - |
| PROPERTY, PLANT AND EQUIPMENT | | | | |
| In service | 71.5 | 1.7 | - | 73.2 |
| Construction work in progress | 1.2 | - | - | 1.2 |
| Other | 0.1 | 2.6 | - | 2.7 |

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| | | | | |
|-------------------------------------|----------|--------|----------|----------|
| Total property, plant and equipment | 72.8 | 4.3 | - | 77.1 |
| Less accumulated depreciation | 26.0 | - | - | 26.0 |
| <hr/> | | | | |
| Net property, plant and equipment | 46.8 | 4.3 | - | 51.1 |
| <hr/> | | | | |
| DEFERRED CHARGES AND OTHER ASSETS | | | | |
| Other | 5.3 | - | - | 5.3 |
| <hr/> | | | | |
| TOTAL ASSETS | \$ 356.0 | \$ 4.5 | \$ (3.9) | \$ 356.6 |

Exhibit A

Enogex Products Corporation
Consolidating Balance Sheet
December 31, 2004
(Unaudited)

| (In millions) | Enogex Products Corporation | Enogex Compression Company, LLC | Consolidating Adjustments | EPC Consolidated Statements |
|--|-----------------------------------|---------------------------------------|------------------------------|-----------------------------------|
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable - affiliates | \$ 7.1 | \$ - | \$ - | \$ 7.1 |
| Accounts payable | 5.8 | 0.1 | - | 5.9 |
| Accrued taxes | 0.3 | - | - | 0.3 |
| Other | 2.0 | - | - | 2.0 |
| <hr/> | | | | |
| Total current liabilities | 15.2 | 0.1 | - | 15.3 |
| DEFERRED CREDITS AND OTHER LIABILITIES | | | | |
| Accumulated deferred income taxes | 16.2 | - | - | 16.2 |
| Other | 0.1 | 0.5 | - | 0.6 |
| <hr/> | | | | |
| Total deferred credits and other liabilities | 16.3 | 0.5 | - | 16.8 |
| STOCKHOLDERS' EQUITY | | | | |
| Common stockholders' equity | 267.0 | 3.9 | (3.9) | 267.0 |
| Retained earnings | 56.0 | - | - | 56.0 |
| Accumulated other comprehensive income, net of tax | 1.5 | - | - | 1.5 |
| <hr/> | | | | |
| Total stockholders' equity | 324.5 | 3.9 | (3.9) | 324.5 |
| <hr/> | | | | |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 356.0 | \$ 4.5 | \$ (3.9) | \$ 356.6 |

Exhibit A

Enogex Products Corporation
Consolidating Statement of Income
Year Ended December 31, 2004
(Unaudited)

| (In millions) | Enogex Products Corporation | Enogex Compression Company, LLC | Consolidating Adjustments | EPC Consolidated Statements |
|---------------|-----------------------------------|---------------------------------------|------------------------------|-----------------------------------|
|---------------|-----------------------------------|---------------------------------------|------------------------------|-----------------------------------|

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| | | | | |
|--|----------|--------|------|----------|
| OPERATING REVENUES | \$ 217.6 | \$ 0.2 | \$ - | \$ 217.8 |
| COST OF GOODS SOLD | 162.6 | - | - | 162.6 |
| Gross margin on revenues | 55.0 | 0.2 | - | 55.2 |
| Other operation and maintenance | 15.6 | 0.2 | - | 15.8 |
| Depreciation | 3.2 | - | - | 3.2 |
| Impairment of assets | (1.1) | - | - | (1.1) |
| Taxes other than income | 0.9 | - | - | 0.9 |
| OPERATING INCOME | 36.4 | - | - | 36.4 |
| OTHER INCOME (EXPENSE) | | | | |
| Other income | 2.4 | - | - | 2.4 |
| Net other income | 2.4 | - | - | 2.4 |
| INCOME FROM CONTINUING OPERATIONS BEFORE TAXES | 38.8 | - | - | 38.8 |
| INCOME TAX EXPENSE | 13.2 | - | - | 13.2 |
| INCOME FROM CONTINUING OPERATIONS | 25.6 | - | - | 25.6 |
| DISCONTINUED OPERATIONS | | | | |
| Income from discontinued operations | 0.8 | - | - | 0.8 |
| Income tax expense | 0.3 | - | - | 0.3 |
| Income from discontinued operations | 0.5 | - | - | 0.5 |
| NET INCOME | \$ 26.1 | \$ - | \$ - | \$ 26.1 |

Exhibit A

Enogex Products Corporation
Consolidating Statement of Retained Earnings
Year Ended December 31, 2004
(Unaudited)

| (In millions) | Enogex Products Corporation | Enogex Compression Company, LLC | Consolidating Adjustments | EPC Consolidated Statements |
|--------------------------------|-----------------------------------|---------------------------------------|------------------------------|-----------------------------------|
| BALANCE AT BEGINNING OF PERIOD | \$ 29.9 | \$ - | \$ - | \$ 29.9 |
| ADD: Net income | 26.1 | - | - | 26.1 |
| BALANCE AT END OF PERIOD | \$ 56.0 | \$ - | \$ - | \$ 56.0 |

Exhibit A

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Enogex Arkansas Pipeline Corporation
 Consolidating Balance Sheet
 December 31, 2004
 (Unaudited)

| (In millions) | Enogex Arkansas Pipeline Corp. | NOARK Pipeline System, LP | Consolidating Adjustments | EAPC Consolidated Statements |
|--|--------------------------------------|---------------------------------|------------------------------|------------------------------------|
| ASSETS | | | | |
| CURRENT ASSETS | | | | |
| Cash and cash equivalents | \$ - | \$ 3.2 | \$ - | \$ 3.2 |
| Accounts receivable, net | - | 3.3 | - | 3.3 |
| Accounts receivable - affiliates | - | 4.3 | (0.5) | 3.8 |
| Gas imbalances | - | 0.5 | - | 0.5 |
| Other | - | 0.1 | - | 0.1 |
| Total current assets | - | 11.4 | (0.5) | 10.9 |
| OTHER PROPERTY AND INVESTMENTS, at cost | 65.8 | - | (65.8) | - |
| PROPERTY, PLANT AND EQUIPMENT | | | | |
| In service | - | 183.9 | (39.0) | 144.9 |
| Construction work in progress | - | 0.2 | - | 0.2 |
| Other | - | 2.0 | - | 2.0 |
| Total property, plant and equipment | - | 186.1 | (39.0) | 147.1 |
| Less accumulated depreciation | - | 36.8 | (18.0) | 18.8 |
| Net property, plant and equipment | - | 149.3 | (21.0) | 128.3 |
| DEFERRED CHARGES AND OTHER ASSETS | | | | |
| Other | - | 8.8 | (4.2) | 4.6 |
| TOTAL ASSETS | \$ 65.8 | \$ 169.5 | \$ (91.5) | \$ 143.8 |

Exhibit A

Enogex Arkansas Pipeline Corporation
 Consolidating Balance Sheet
 December 31, 2004
 (Unaudited)

| (In millions) | Enogex Arkansas Pipeline Corp. | NOARK Pipeline System, LP | Consolidating Adjustments | EAPC Consolidated Statements |
|--|--------------------------------------|---------------------------------|------------------------------|------------------------------------|
| LIABILITIES AND STOCKHOLDERS EQUITY | | | | |
| CURRENT LIABILITIES | | | | |
| Accounts payable - affiliates | \$ 0.8 | \$ - | \$ (0.5) | \$ 0.3 |
| Advances from parent | 48.2 | - | - | 48.2 |
| Accounts payable | - | 5.8 | - | 5.8 |
| Accrued taxes | - | 0.9 | - | 0.9 |
| Accrued interest | - | 0.4 | - | 0.4 |
| Long-term debt due within one year | - | 2.0 | (1.2) | 0.8 |
| Non-recourse debt of joint venture | - | - | 1.2 | 1.2 |
| Gas imbalances | - | 0.5 | - | 0.5 |

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| | | | | |
|--|----------------|-----------------|------------------|-----------------|
| Total current liabilities | 49.0 | 9.6 | (0.5) | 58.1 |
| LONG-TERM DEBT | | | | |
| Long-term debt | - | 65.0 | (39.0) | 26.0 |
| Non-recourse debt of joint venture | - | - | 39.0 | 39.0 |
| <hr/> | | | | |
| Total long-term debt | - | 65.0 | - | 65.0 |
| DEFERRED CREDITS AND OTHER LIABILITIES | | | | |
| Accumulated deferred income taxes | 17.8 | - | - | 17.8 |
| STOCKHOLDERS EQUITY | | | | |
| Common stockholders equity | - | 83.3 | (83.3) | - |
| Retained earnings (deficit) | (1.0) | 11.6 | (7.7) | 2.9 |
| <hr/> | | | | |
| Total stockholders equity | (1.0) | 94.9 | (91.0) | 2.9 |
| <hr/> | | | | |
| TOTAL LIABILITIES AND STOCKHOLDERS EQUITY | \$ 65.8 | \$ 169.5 | \$ (91.5) | \$ 143.8 |

Exhibit A

Enogex Arkansas Pipeline Corporation
Consolidating Statement of Income
Year Ended December 31, 2004
(Unaudited)

| (In millions) | Enogex Arkansas Pipeline Corp. | NOARK Pipeline System, LP | Consolidating Adjustments | EAPC Consolidated Statements |
|--|--------------------------------------|---------------------------------|------------------------------|------------------------------------|
| OPERATING REVENUES | \$ - | \$ 77.3 | \$ - | \$ 77.3 |
| COST OF GOODS SOLD | - | 54.5 | - | 54.5 |
| <hr/> | | | | |
| Gross margin on revenues | - | 22.8 | - | 22.8 |
| Other operation and maintenance | 3.1 | 4.0 | - | 7.1 |
| Depreciation | - | 3.6 | (0.1) | 3.5 |
| Taxes other than income | - | 1.1 | - | 1.1 |
| <hr/> | | | | |
| OPERATING INCOME (LOSS) | (3.1) | 14.1 | 0.1 | 11.1 |
| OTHER INCOME (EXPENSE) | | | | |
| Other expense | - | - | (0.6) | (0.6) |
| <hr/> | | | | |
| Net other expense | - | - | (0.6) | (0.6) |
| INTEREST INCOME (EXPENSE) | | | | |
| Interest income | 0.1 | 0.2 | - | 0.3 |
| Interest on long-term debt | - | (5.5) | 0.5 | (5.0) |
| Interest on short-term debt and other interest charges | (0.3) | - | - | (0.3) |

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| | | | | |
|---|--------|--------|----------|--------|
| Net interest expense | (0.2) | (5.3) | 0.5 | (5.0) |
| INCOME (LOSS) BEFORE TAXES | (3.3) | 8.8 | - | 5.5 |
| INCOME TAX EXPENSE | 1.9 | - | - | 1.9 |
| INCOME (LOSS) BEFORE CONTRIBUTION FROM SUBSIDIARIES | (5.2) | 8.8 | - | 3.6 |
| INCOME FROM SUBSIDIARIES | 8.5 | - | (8.5) | - |
| NET INCOME | \$ 3.3 | \$ 8.8 | \$ (8.5) | \$ 3.6 |

Exhibit A

Enogex Arkansas Pipeline Corporation
Consolidating Statement of Retained Earnings
Year Ended December 31, 2004
(Unaudited)

| (In millions) | Enogex Arkansas Pipeline Corp. | NOARK Pipeline System, LP | Consolidating Adjustments | EAPC Consolidated Statements |
|--------------------------------|--------------------------------------|---------------------------------|------------------------------|------------------------------------|
| BALANCE AT BEGINNING OF PERIOD | \$ (4.3) | \$ 2.8 | \$ 0.8 | \$ (0.7) |
| ADD: Net income | 3.3 | 8.8 | (8.5) | 3.6 |
| BALANCE AT END OF PERIOD | \$ (1.0) | \$ 11.6 | \$ (7.7) | \$ 2.9 |

Exhibit A

NOARK Pipeline System, LP
Consolidating Balance Sheet
December 31, 2004
(Unaudited)

| (In millions) | NOARK Pipeline System, LP | Ozark Gas Transmission, L.L.C. | Ozark Gas Gathering, L.L.C. | NOARK Pipeline Finance, L.L.C. | Consolidating Adjustments | NOARK Consolidated Statements |
|----------------------------------|---------------------------------|--------------------------------------|-----------------------------------|---|------------------------------|-------------------------------------|
| ASSETS | | | | | | |
| CURRENT ASSETS | | | | | | |
| Cash and cash equivalents | \$ 4.9 | \$ - | \$ - | \$ - | \$ (1.7) | \$ 3.2 |
| Accounts receivable, net | - | 1.1 | 2.2 | - | - | 3.3 |
| Accounts receivable - affiliates | - | - | 4.5 | 0.4 | (0.6) | 4.3 |
| Advances to parent | - | 110.6 | - | 2.0 | (112.6) | - |
| Advances to subsidiary | 9.4 | - | - | - | (9.4) | - |
| Gas imbalances | - | 0.5 | 1.1 | - | (1.1) | 0.5 |
| Other | - | 0.1 | - | - | - | 0.1 |
| Total current assets | 14.3 | 112.3 | 7.8 | 2.4 | (125.4) | 11.4 |

OTHER PROPERTY AND INVESTMENTS,

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| | | | | | | |
|--|-----------------|-----------------|----------------|----------------|-------------------|-----------------|
| at cost | 256.9 | - | - | - | (256.9) | - |
| PROPERTY, PLANT AND EQUIPMENT | | | | | | |
| In service | - | 173.9 | 10.0 | - | - | 183.9 |
| Construction work in progress | - | 0.2 | - | - | - | 0.2 |
| Other | - | 2.0 | - | - | - | 2.0 |
| <hr/> | | | | | | |
| Total property, plant and equipment | - | 176.1 | 10.0 | - | - | 186.1 |
| Less accumulated depreciation | - | 34.4 | 2.4 | - | - | 36.8 |
| <hr/> | | | | | | |
| Net property, plant and equipment | - | 141.7 | 7.6 | - | - | 149.3 |
| <hr/> | | | | | | |
| DEFERRED CHARGES AND OTHER ASSETS | | | | | | |
| Other | 1.5 | 7.3 | - | 65.0 | (65.0) | 8.8 |
| <hr/> | | | | | | |
| TOTAL ASSETS | \$ 272.7 | \$ 261.3 | \$ 15.4 | \$ 67.4 | \$ (447.3) | \$ 169.5 |

Exhibit A

NOARK Pipeline System, LP
Consolidating Balance Sheet
December 31, 2004
(Unaudited)

| (In millions) | NOARK Pipeline System, LP | Ozark Gas Transmission, L.L.C. | Ozark Gas Gathering, L.L.C. | NOARK Pipeline Finance, L.L.C. | NOARK Consolidating Adjustments | NOARK Consolidated Statements |
|--|---------------------------------|--------------------------------------|-----------------------------------|--------------------------------------|---------------------------------------|-------------------------------------|
| LIABILITIES AND STOCKHOLDERS EQUITY | | | | | | |
| CURRENT LIABILITIES | | | | | | |
| Accounts payable - affiliates | \$ 0.2 | \$ 0.4 | \$ - | \$ - | \$ (0.6) | \$ - |
| Accounts payable | - | - | 7.5 | - | (1.7) | 5.8 |
| Accrued taxes | - | 0.9 | - | - | - | 0.9 |
| Accrued interest | - | - | - | 0.4 | - | 0.4 |
| Advances from parent | - | - | 9.4 | - | (9.4) | - |
| Advances from subsidiary | 112.6 | - | - | - | (112.6) | - |
| Long-term debt due within one year | - | - | - | 2.0 | - | 2.0 |
| Gas imbalances | - | 1.5 | - | - | (1.0) | 0.5 |
| <hr/> | | | | | | |
| Total current liabilities | 112.8 | 2.8 | 16.9 | 2.4 | (125.3) | 9.6 |
| <hr/> | | | | | | |
| LONG-TERM DEBT | 65.0 | - | - | 65.0 | (65.0) | 65.0 |
| <hr/> | | | | | | |
| STOCKHOLDERS EQUITY | | | | | | |
| Common stockholders equity | 126.6 | 171.5 | 2.0 | - | (216.8) | 83.3 |
| Retained earnings (deficit) | (31.7) | 87.0 | (3.5) | - | (40.2) | 11.6 |
| <hr/> | | | | | | |
| Total stockholders equity | 94.9 | 258.5 | (1.5) | - | (257.0) | 94.9 |
| <hr/> | | | | | | |
| TOTAL LIABILITIES AND STOCKHOLDERS EQUITY | \$ 272.7 | \$ 261.3 | \$ 15.4 | \$ 67.4 | \$ (447.3) | \$ 169.5 |

Exhibit A

NOARK Pipeline System, LP
Consolidating Statement of Income

Edgar Filing: OGE ENERGY CORP - Form U-3A-2

Year Ended December 31, 2004
(Unaudited)

| (In millions) | NOARK Pipeline System, LP | Ozark Gas Transmission, L.L.C. | Ozark Gas Gathering, L.L.C. | NOARK Pipeline Finance, L.L.C. | Consolidating Adjustments | NOARK Consolidated Statements |
|--|---------------------------------|--------------------------------------|-----------------------------------|--------------------------------------|------------------------------|-------------------------------------|
| OPERATING REVENUES | \$ - | \$ 16.3 | \$ 61.0 | \$ - | \$ - | \$ 77.3 |
| COST OF GOODS SOLD | - | (2.9) | 57.4 | - | - | 54.5 |
| Gross margin on revenues | - | 19.2 | 3.6 | - | - | 22.8 |
| Other operation and maintenance | (1.5) | 4.2 | 1.3 | - | - | 4.0 |
| Depreciation | - | 3.2 | 0.4 | - | - | 3.6 |
| Taxes other than income | - | 1.1 | - | - | - | 1.1 |
| OPERATING INCOME | 1.5 | 10.7 | 1.9 | - | - | 14.1 |
| INTEREST INCOME (EXPENSE) | | | | | | |
| Interest income | 0.2 | 0.1 | - | 4.9 | (5.0) | 0.2 |
| Interest on long-term debt | (0.1) | (0.5) | - | (4.9) | - | (5.5) |
| Interest on short-term debt and other interest charges | (5.0) | - | - | - | 5.0 | - |
| Net interest expense | (4.9) | (0.4) | - | - | - | (5.3) |
| INCOME (LOSS) BEFORE TAXES | (3.4) | 10.3 | 1.9 | - | - | 8.8 |
| INCOME TAX EXPENSE | - | - | - | - | - | - |
| INCOME (LOSS) BEFORE CONTRIBUTION FROM SUBSIDIARIES | (3.4) | 10.3 | 1.9 | - | - | 8.8 |
| INCOME FROM SUBSIDIARIES | 12.2 | - | - | - | (12.2) | - |
| NET INCOME | \$ 8.8 | \$ 10.3 | \$ 1.9 | \$ - | \$ (12.2) | \$ 8.8 |

Exhibit A

NOARK Pipeline System, LP
Consolidating Statement of Retained Earnings
Year Ended December 31, 2004
(Unaudited)

| (In millions) | NOARK Pipeline System, LP | Ozark Gas Transmission, L.L.C. | NOARK Energy Services, L.L.C. | Ozark Gas Gathering, L.L.C. | Consolidating Adjustments | NOARK Consolidated Statements |
|--------------------------------|---------------------------------|--------------------------------------|--|-----------------------------------|------------------------------|-------------------------------------|
| BALANCE AT BEGINNING OF PERIOD | \$ 2.8 | \$ 76.7 | \$ (43.3) | \$ (5.4) | \$ (28.0) | \$ 2.8 |
| ADD: Net income | 8.8 | 10.3 | - | 1.9 | (12.2) | 8.8 |
| Dissolution of company | (43.3) | - | 43.3 | - | - | - |

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| | | | | | | | | | | | | |
|--------------------------|----|--------|----|------|----|---|----|-------|----|--------|----|------|
| BALANCE AT END OF PERIOD | \$ | (31.7) | \$ | 87.0 | \$ | - | \$ | (3.5) | \$ | (40.2) | \$ | 11.6 |
|--------------------------|----|--------|----|------|----|---|----|-------|----|--------|----|------|
