

STANDARD PRICING SCHEDULE: OSSE
RIDER FOR OFF-SYSTEM SALES OF ELECTRICITY

STATE OF OKLAHOMA

EFFECTIVE IN: The Oklahoma Retail Jurisdiction.

APPLICABILITY: This rider is applicable to and becomes a part of each Oklahoma retail rate schedule to which the Company's Fuel Cost Adjustment rider (Standard Pricing Schedule FCA) applies. However, this rider is not a part of the FCA rider.

DESCRIPTION: This rider, through the OSSE factor, credits to the customer a portion of the Oklahoma jurisdiction net earnings associated with non-jurisdictionally allocated firm sales, and spot-market off-system sales of electricity. The net earnings (or profits) derived from such sales will be the difference between the sales price of the electricity and ancillary services delivered and all costs associated with such sales of electricity and services excluding variable production operation and maintenance expenses.

OFF-SYSTEM SALES OF ELECTRICITY CREDIT (OSSE): The monthly bill as calculated under the stated rates shall be decreased for each kilowatt-hour (kWh) consumed by an amount computed in accordance with the following factor (subject to OSSE²):

OSSE¹ = Off-System Sales of Electricity (OSSE) will begin with the effective date of this rider. All net profits from off-system sales of electricity will be credited to OG&E's customers with customers receiving 80% and the Company retaining 20% of the net profits. A monthly factor, expressed in dollars per kWh, will be computed to reflect 80% of the net earnings from off-system sales of electricity (as detailed above) during the second calendar month preceding the end of the billing period for which the kWh usage is billed. This factor shall be applied to the Fuel Cost Adjustment before application to the customer's bill.

OSSE² = For the period commencing with OG&E's acquisition of an ownership interest in the Redbud Generating Facility and terminating on the earlier of December 31, 2011 or the effective date of a Final Order of the Commission revising or rescinding the agreement in PUD 200800086, one hundred percent (100%) of the Oklahoma jurisdictional share of the net of credits and charges (net sales and purchases) resulting from OG&E's participation in the Southwest Power Pool's ("SPP") Energy Imbalance Services market will be flowed to Oklahoma jurisdictional customers. During this time, ninety percent (90%) of the Oklahoma jurisdictional share of the total company profits from any non-SPP Energy Imbalance Services off-system sale (as described above) will be flowed to Oklahoma jurisdictional customers.

Rates Authorized By:

(Effective)	(Order No.)	(Cause/Docket No.)
September 30, 2008	559892	PUD 200800086

Public Utilities Division Stamp

APPROVED

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DIRECTOR OF
PUBLIC UTILITIES