FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2000

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 1-12579

OGE ENERGY CORP.

(Exact name of registrant as specified in its charter)

Oklahoma	73-1481638
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

321 North Harvey

P. O. Box 321

Oklahoma City, Oklahoma 73101-0321

(Address of principal executive offices)

(Zip Code)

405-553-3000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

There were 77,863,370 Shares of Common Stock, par value $0.01 per share, outstanding as of July 31, 2000.

OGE ENERGY CORP.

PART I. FINANCIAL INFORMATION

ITEM 1 FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	3 Months Ended June 30		6 Months Ended June 30	
	2000	1999	2000	1999
	(THOUSANDS EXCEPT PER SHARE DATA)			
OPERATING REVENUES:				
Electric utility	$ 335,573	$ 314,102	$ 580,905	$ 564,246
Non-utility subsidiaries	391,331	136,759	727,580	264,820
Total operating revenues	726,904	450,861	1,308,485	829,066
OPERATING EXPENSES:				
Fuel	97,930	75,284	159,930	132,966
Purchased power	62,124	62,267	122,666	121,390
Gas and electricity purchased for resale	315,529	110,899	565,070	212,356
Other operation and maintenance	118,855	79,390	235,130	153,734
Depreciation and amortization	44,997	37,323	89,916	75,586
Taxes other than income	15,723	12,551	31,831	25,812
Total operating expenses	655,158	377,714	1,204,543	721,844
OPERATING INCOME	71,746	73,147	103,942	107,222
OTHER INCOME, net	4,855	1,020	4,654	1,336
EARNINGS BEFORE INTEREST AND TAXES	76,601	74,167	108,596	108,558
INTEREST INCOME (EXPENSES):				
Interest income	596	718	2,205	1,210
Interest on long-term debt	(25,917)	(15,416)	(51,304)	(30,218)
Interest on trust preferred securities	(4,317)	---	(8,634)	---
Other interest charges	(1,949)	(3,858)	(7,415)	(7,354)
Net interest income (expenses)	(31,587)	(18,556)	(65,148)	(36,362)
EARNINGS BEFORE INCOME TAXES	45,014	55,611	43,448	72,196
PROVISION FOR INCOME TAXES	13,270	17,867	10,928	23,320
NET INCOME	$ 31,744	$ 37,744	$ 32,520	$ 48,876
AVERAGE COMMON SHARES OUTSTANDING	77,863	77,801	77,863	77,801
EARNINGS PER AVERAGE COMMON SHARE	$ 0.41	$ 0.49	$ 0.42	$ 0.63
EARNINGS PER AVERAGE COMMON SHARE - ASSUMING DILUTION	$ 0.41	$ 0.49	$ 0.42	$ 0.63
DIVIDENDS DECLARED PER SHARE	$ 0.3325	$ 0.3325	$ 0.6650	$ 0.6650

THE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS ARE AN INTEGRAL PART HEREOF.

CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	JUNE 30 2000	DECEMBER 31 1999
	(DOLLARS IN THOUSANDS)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 17,777	$ 7,271
Accounts receivable - customers, less reserve of $8,253 and $5,270, respectively	240,373	263,708
Accrued unbilled revenues	58,300	40,200
Accounts receivable - other	48,757	10,462
Fuel inventories, at LIFO cost	162,860	117,185
Materials and supplies, at average cost	41,738	39,194
Prepayments and other	20,122	16,911
Accumulated deferred tax assets	8,116	8,729
Total current assets	598,043	503,660
OTHER PROPERTY AND INVESTMENTS, at cost	33,668	31,012
PROPERTY, PLANT AND EQUIPMENT:		
In service	5,224,736	5,209,783
Construction work in progress	98,450	56,553
Total property, plant and equipment	5,323,186	5,266,336
Less accumulated depreciation	2,095,996	2,024,349
Net property, plant and equipment	3,227,190	3,241,987
DEFERRED CHARGES:		
Advance payments for gas	11,800	11,800
Income taxes recoverable through future rates	39,173	39,692
Other	123,455	93,183
Total deferred charges	174,428	144,675
TOTAL ASSETS	$ 4,033,329	$ 3,921,334
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term debt	$ 218,300	$ 589,100
Accounts payable	215,383	161,183
Dividends payable	25,890	25,889
Customers' deposits	22,088	22,138
Accrued taxes	29,644	41,215
Accrued interest	36,244	28,191
Long-term debt due within one year	59,000	59,000
Other	42,386	40,145
Total current liabilities	648,935	966,861
LONG-TERM DEBT	1,649,819	1,250,532
DEFERRED CREDITS AND OTHER LIABILITIES:		
Accrued pension and benefit obligation	19,805	16,686
Accumulated deferred income taxes	583,187	566,137
Accumulated deferred investment tax credits	60,003	62,578
Other	71,460	39,161
Total deferred credits and other liabilities	734,455	684,562
STOCKHOLDERS' EQUITY:		
Common stockholders' equity	441,847	441,847
Retained earnings	558,273	577,532
Total stockholders' equity	1,000,120	1,019,379
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 4,033,329	$ 3,921,334

THE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS ARE AN INTEGRAL PART HEREOF.

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

	6 MONTHS ENDED JUNE 30 2000	6 MONTHS ENDED JUNE 30 1999
	(DOLLARS IN THOUSANDS)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	$ 32,520	$ 48,876
Adjustments to Reconcile Net Income to Net Cash Provided from Operating Activities:		
Depreciation and amortization	89,916	75,586
Deferred income taxes and investment tax credits, net	15,177	(9,495)
Gain on sale of assets	(4,624)	---
Change in Certain Current Assets and Liabilities:		
Accounts receivable - customers	23,335	(3,574)
Accrued unbilled revenues	(18,100)	(36,500)
Fuel, materials and supplies inventories	(48,219)	(34,470)
Accumulated deferred tax assets	613	(798)
Other current assets	(41,506)	8,520
Accounts payable	54,200	2,520
Accrued taxes	(11,571)	14,632
Accrued interest	8,053	530
Other current liabilities	2,192	(17,857)
Other operating activities	12,274	16,081
Net cash provided from operating activities	114,260	64,051
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(91,481)	(89,336)
Proceeds from sale of assets	11,119	---
Other investment activities	188	(22,132)
Net cash used in investing activities	(80,174)	(111,468)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Retirement of long-term debt	(1,000)	(1,000)
Proceeds from long-term debt	400,000	---
Short-term debt, net	(370,800)	179,700
Redemption of common stock	---	(77,962)
Cash dividends declared on common stock	(51,780)	(51,737)
Net cash provided from (used in) financing activities	(23,580)	49,001
NET INCREASE IN CASH AND CASH EQUIVALENTS	10,506	1,584
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	7,271	378
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 17,777	$ 1,962

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Period for:		
Interest (net of amount capitalized)	$ 48,462	$ 29,640
Income taxes	$ 7,665	$ 17,450
NON-CASH INVESTING AND FINANCING ACTIVITIES		
Other investing and financing activities	$ 2,400	$ ---

DISCLOSURE OF ACCOUNTING POLICY:
For purposes of these statements, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. These investments are carried at cost, which approximates market.

THE ACCOMPANYING NOTES TO CONSOLIDATED FINANCIAL STATEMENTS ARE AN INTEGRAL PART HEREOF.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. The condensed consolidated financial statements included herein have been prepared by OGE Energy Corp. (the "Company"), without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations; however, the Company believes that the disclosures are adequate to make the information presented not misleading.

   In the opinion of management, all adjustments necessary to present fairly the financial position of the Company and its subsidiaries as of June 30, 2000, and December 31, 1999, and the results of operations and the changes in cash flows for the periods ended June 30, 2000, and June 30, 1999, have been included and are of a normal recurring nature. Certain amounts have been reclassified on the financial statements to conform with the 2000 presentation.

   The results of operations for such interim periods are not necessarily indicative of the results for the full year. It is suggested that these condensed consolidated financial statements be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's Form 10-K for the year ended December 31, 1999.

2. The Company is a holding company, which was incorporated in August 1995 in the State of Oklahoma. The Company is not engaged in any business independent of that conducted through its subsidiaries, Oklahoma Gas and Electric Company ("OG&E"), Enogex Inc. and Enogex Inc.'s subsidiaries ("Enogex"), and OGE Energy Capital Trust I, a financing trust established in 1999.

   OG&E is a regulated public utility that owns and operates an interconnected electric production, transmission and distribution system.

   Enogex is an Oklahoma intrastate natural gas pipeline company that also conducts related operations, through its subsidiaries, in interstate and intrastate gas transmission, natural gas gathering, natural gas processing, natural gas and electricity marketing, and oil and gas development and production.

3. In June 1998, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and for Hedging Activities", with an effective date for periods beginning after June 15, 1999. In July 1999, the FASB issued SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133". As a result of SFAS No. 137, adoption of SFAS No. 133 is now required for financial statements for periods beginning after June 15, 2000. In June 2000, the FASB issued SFAS No. 138,

"Accounting for Certain Derivative Instruments and Certain Hedging Activities", which amends the accounting and reporting standards of SFAS No. 133 for certain derivative instruments and hedging activities. SFAS No. 133 sweeps in a broad population of transactions and changes the previous accounting definition of a derivative instrument. Under SFAS No. 133, every derivative instrument is recorded in the balance sheet as either an asset or liability measured at its fair value. SFAS No. 133 requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. The Company will prospectively adopt this new standard effective January 1, 2001, and management believes the adoption of this new standard will not have a material impact on its consolidated financial position or results of operation.

4. Enogex, in the normal course of business, enters into fixed price contracts for either the purchase or sale of natural gas and electricity at future dates. Due to fluctuations in the natural gas and electricity markets, the Company buys or sells natural gas and electricity futures contracts, swaps or options to hedge the price and basis risk associated with the specifically identified purchase or sales contracts. Additionally, the Company may use these contracts as an enhancement or speculative trade, subject to the Company's policies on risk management. For qualifying hedges, the Company accounts for changes in the market value of futures contracts as a deferred gain or loss until the production month for hedged transactions, at which time the gain or loss on the natural gas or electricity futures contract, swap or option is recognized in the results of operations. As market values change, the Company recognizes the gain or loss on enhancement or speculative contracts in the results of operations.

ITEM 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

OVERVIEW

The following discussion and analysis presents factors which affected the results of operations for the three and six months ended June 30, 2000 (respectively, the "current periods"), and the financial position as of June 30, 2000, of the Company and its subsidiaries: OG&E and Enogex. Unless indicated otherwise, all comparisons are with the corresponding periods of the prior year. For the current periods, approximately 54 percent and 56 percent of the Company's revenues consisted of the non-utility operations of Enogex, while the remaining 46 percent and 44 percent was provided by the regulated sales of electricity by OG&E, a public utility. Revenues from sales of electricity are somewhat seasonal, with a large portion of OG&E's annual electric revenues occurring during the summer months when the electricity needs of its customers increase. Actions of the regulatory commissions that set OG&E's electric rates will continue to affect the Company's financial results.

On July 1, 1999, Enogex completed its previously announced acquisition of Transok LLC and its subsidiaries ("Transok"), a gatherer, processor, and transporter of natural gas in Oklahoma and Texas. Enogex purchased Transok from Tejas Energy LLC, an affiliate of Shell Oil Company, for $710.3 million, which includes assumption of $173 million of long-term debt.

Some of the matters discussed in this Form 10-Q may contain forward-looking statements that are subject to certain risks, uncertainties and assumptions. Actual results may vary materially. Factors that could cause actual results to differ materially include, but are not limited to: general economic conditions, including their impact on capital expenditures; business conditions in the energy industry; competitive factors; unusual weather; regulatory decisions and other risk factors listed in the Company's Form 10-K for the year ended December 31, 1999 including Exhibit 99.01 thereto and other factors described from time to time in the Company's reports to the Securities and Exchange Commission.

EARNINGS

Net income decreased $6.0 million or 15.9 percent in the three months ended June 30, 2000. Of the $6.0 million decrease, approximately $4.2 million was attributable to OG&E. OG&E's decrease in earnings for the three months ended June 30, 2000 was primarily attributable to increased operating expenses, which more than offset increased revenues at OG&E. This decrease in net income was partially offset by a $1.1 million increase attributable to Enogex. Enogex's earnings increased in the three months ended June 30, 2000 primarily due to the positive effects from its acquisition of Transok and from increased sales volumes and prices in natural gas gathering and transportation, gas processing and marketing of natural gas. A decrease in net income of $2.9 million was attributable to increased expenses at the corporate level. For the six months ended June 30, 2000, net income decreased $16.4 million or 33.5 percent. Of the $16.4 million decrease, approximately $17.6 million was attributable to OG&E and approximately $4.3 million was attributable to increased expenses at the corporate level. These decreases were partially offset by a $5.5 million increase attributable to Enogex. As explained below, OG&E's decrease in earnings for the six months ending June 30, 2000, was primarily attributable to higher operating expenses. The increase in Enogex earnings for the six months ended June 30, 2000 is attributable to the positive effects from its acquisition of Transok and from increased sales volumes and prices in natural gas gathering and transportation, gas processing and marketing of natural gas. Earnings per average common share decreased from $0.49 to $0.41 and $0.63 to $0.42 in the current periods.

REVENUES

Total operating revenues increased $276.0 million or 61.2 percent and $479.4 million or 57.8 percent in the current periods. These increases were attributable primarily to significantly increased Enogex revenues reflecting in large part its acquisition of Transok in July 1999.

Enogex revenues increased $254.6 million or 186.1 percent and $462.8 million or 174.7 percent in the current periods largely due to the inclusion of the revenues from Transok's operations and increased prices and sales activity pursuant to its trading and energy services unit. The integration of Transok's pipeline with those of Enogex has increased gas transportation revenue and provided Enogex's gas marketing unit with a better platform from which to market natural gas.

OG&E revenues increased $21.5 million or 6.8 percent and $16.7 million or 3.0 percent in the current periods. These increases resulted primarily from the recovery of higher priced fuel costs. Variances in the actual cost of fuel used in electric generation and certain purchased power costs, as compared to that component in cost-of-service for ratemaking, are passed through to OG&E's electric customers through automatic fuel adjustment clauses. The automatic fuel adjustment clauses are subject to periodic review by the Oklahoma Corporation Commission ("OCC"), the Arkansas Public Service Commission ("APSC") and the Federal Energy Regulatory Commission ("FERC"). Enogex owns and operates a pipeline business that delivers natural gas to the generating stations of OG&E. The OCC, the APSC and the FERC have authority to examine the appropriateness of any gas transportation charges or other fees OG&E pays Enogex, which OG&E seeks to recover through the fuel adjustment clause or other tariffs. See "Regulation and Rates." Revenue was unfavorably affected in the current periods by approximately $3.6 million and $7.7 million, due to modifications of the Generation Efficiency Performance Rider ("GEP Rider") and by approximately $2.8 million and $3.6 million, due to lower recoveries under the Acquisition Premium Credit Rider ("APC Rider"). See "Regulation and Rates" - "Recent Regulatory Matters." Increases in kilowatt-hour sales of 5.4 percent and 4.8 percent to OG&E's electric customers ("system sales") in the current periods were primarily attributable to more favorable weather in OG&E's service area, which partially offset the impact of the GEP Rider modifications and the APC Rider. Kilowatt-hour sales to other utilities and power marketers ("off-system sales") decreased 44.7 percent in the three months ended June 30, 2000 and increased 5.2 percent in the six-month period ended June 30, 2000. Off-system sales generally occur at much lower prices per kilowatt-hour and have less impact on operating revenues and earnings than system sales.

EXPENSES

Total operating expenses increased $277.4 million or 73.5 percent and $482.7 million or 66.9 percent in the current periods. These increases were primarily due to increases in gas and electricity purchased for resale, other operation and maintenance and fuel expense.

Fuel expense increased $22.6 million or 30.1 percent and $27.0 million or 20.3 percent in the current periods primarily due to a significant increase in the average cost of fuel (particularly natural gas) and slightly higher generation levels.

Gas and electricity purchased for resale pursuant to Enogex's gas and electricity-marketing operations increased $204.6 million or 184.5 percent and $352.7 million or 166.1 percent in the current periods. These increases are primarily due to its acquisition of Transok and from increased prices and sales volumes in natural gas gathering and transportation.

Other operation and maintenance increased $39.5 million or 49.7 percent and $81.4 million or 52.9 percent in the current periods. These increases are due to the acquisition of Transok in July 1999, increased natural gas purchases, increased employee benefit costs and miscellaneous corporate expenses.

Purchased power costs for OG&E remained relatively constant in the three months ended Jue 30, 2000 and increased $1.3 million or 1.1 percent in the six months ended June 30, 2000, primarily due to an increase in transmission charges associated with off-system purchases.

Depreciation and amortization increased $7.7 million or 20.6 percent and $14.3 million or 19.0 percent during the current periods due to an increase in depreciable property and higher oil and gas production volumes (based on units of production depreciation method) and the acquisition of Transok in July 1999.

Taxes other than income increased $3.2 million or 25.3 percent and $6.0 million or 23.3 percent in the current periods. These increases are primarily due to the acquisition of Transok in July 1999.

Other income increased $3.8 million or 376.0 percent and $3.3 million or 248.3 percent in the current periods. These increases are due to the sale by Enogex of certain assets in Oklahoma and Utah in the three months ended June 30, 2000.

Interest charges increased $13.0 million or 70.2 percent and $28.8 million or 79.2 percent in the current periods. These increases are due to increased long-term debt at Enogex and due to interest expense on the trust-preferred securities issued in October 1999. The proceeds from those securities were used to repay short-term debt incurred to finance the acquisition of Transok. See "Liquidity and Capital Requirements."

LIQUIDITY AND CAPITAL REQUIREMENTS

The Company's primary needs for capital are related to construction of new facilities to meet anticipated demand for OG&E's utility service, to replace or expand existing facilities in OG&E's electric utility business, to replace or expand existing facilities in its non-utility businesses, to acquire new non-utility facilities or businesses and to some extent, for satisfying maturing debt. The Company's capital expenditures of $91.5 million for the six months ended June 30, 2000, were financed with internally generated funds.

The Company meets its cash needs through a combination of internally generated funds, permanent financing and short-term borrowings. The Company expects that internally generated funds will be adequate during 2000 to meet anticipated construction expenditures, while maturities of long-term debt at OG&E will require permanent financings, with the amount and type dependent on market conditions at the time. OG&E has long-term debt of $110 million maturing in October 2000, which it expects to refinance and accordingly, this debt is reflected as non-current on the accompanying balance sheets. Enogex has long-term debt of $58 million and $1 million maturing in the third and fourth quarters of 2000, respectively. Management anticipates that cash flows from operations and short-term debt will be sufficient to retire the $59 million in long-term debt at Enogex. Short-term borrowings will continue to be used to meet temporary cash requirements. In January 2000, the Company increased its line of credit from $200 million to $300 million, with $200 million to expire on January 15, 2001, and $100 million to expire on January 15, 2004.

The Company acquired two gas turbine generators for use at OG&E's Horseshoe Lake Generating Station. These two generators were brought on line on June 14 and July 16, 2000 and will each produce approximately 44 megawatts of additional peak-load generating capacity. The total cost of this project is expected to be approximately $47 million. In August 1999, OG&E announced the reactivation of two of its generators at its Mustang Generating Station, which have been idle for several years. These two Mustang Station generators were both brought on line July 21, 2000 and together produce approximately 115 megawatts of additional peak-load generating capacity. The total cost of this reactivation project is expected to be approximately $7 million. Together, these four generators increased OG&E's electric generating capacity by approximately 4 percent.

The Company's capital structure and cash flow remained strong throughout the current periods. The Company's combined cash and cash equivalents increased approximately $10.5 million during the six months ended June 30, 2000. The increase reflects the Company's cash flow from operations, proceeds from long-term debt and sale of assets, net of retirement of long-term debt, construction expenditures, short-term debt and dividend payments.

As discussed previously, on July 1, 1999, Enogex completed its acquisition of Transok for $710.3 million, which includes assumption of $173 million of long-term debt. The purchase of Transok was temporarily funded through a $560 million revolving credit agreement with a consortium of banks with Bank One, N.A. serving as agent. On October 21, 1999, the financing trust subsidiary of the Company issued $200 million of 8.375 percent trust preferred securities and all of the proceeds were used to repay a portion of outstanding borrowings under the revolving credit agreement implemented in connection with the acquisition of Transok.

On January 14, 2000, Enogex sold $400 million of 8.125 percent senior unsecured notes due January 15, 2010. Enogex entered into a series of interest rate swap agreements to manage interest costs associated with this $400 million issue. The effect of these swap agreements reduces the overall effective interest rate from 8.125 percent to 6.6875 percent during the first year. The proceeds from the sale of this new debt were used to repay the remaining balance of the temporary short-term debt Enogex owed the Company associated with the Transok acquisition and for general corporate purposes.

Like any business, the Company is subject to numerous contingencies, many of which are beyond its control. For discussion of significant contingencies that could affect the Company, reference is made to Part II, Item 1 - "Legal Proceedings" of this Form 10-Q, to Part II, Item 1 - "Legal Proceedings" in the Company's Form 10-Q for the quarter ended March 31, 2000 and to "Management's Discussion and Analysis" and Notes 10 and 11 of Notes to the Consolidated Financial Statements in the Company's 1999 Form 10-K.

REGULATION AND RATES

OG&E's retail electric tariffs in Oklahoma are regulated by the OCC, and in Arkansas by the APSC. The issuance of certain securities by OG&E is also regulated by the OCC and the APSC. OG&E's wholesale electric tariffs, short-term borrowing authorization and accounting practices are subject to the jurisdiction of the FERC. The Secretary of the Department of Energy has jurisdiction over some of OG&E's facilities and operations.

RECENT REGULATORY MATTERS

On January 12, 2000, the OCC Staff (the "Staff") filed three applications to address various aspects of OG&E's electric rates. Two of the applications were expected, while the third pertains to recoveries under OG&E's fuel adjustment clause. The first application relates to the completion on March 1, 2000, of the recovery pursuant to the APC Rider of the amortization premium paid by OG&E when it acquired Enogex in 1986 and the resulting removal of this $12.8 million ($10.7 million in the Oklahoma Jurisdiction) from the amounts currently being paid annually by OG&E to Enogex and being recovered by OG&E from its ratepayers. OG&E consented to this action and in March 2000, the OCC approved the APC Rider for $10.7 million annually.

The second application relates to a review of the GEP Rider which, as part of the OCC's 1997 Order, was scheduled for review in March 2000. OG&E collected approximately $20.8 million pursuant to the GEP Rider during 1999. On April 4, 2000, the Staff filed testimony proposing an annual GEP Rider incentive of $7.07 million for OG&E, compared initially to $13.26 million under the then-current GEP Rider incentive factors. The GEP Rider was designed so that when OG&E's average annual cost of fuel per kwh was less than 96.261 percent of the average non-nuclear fuel cost per kwh of certain other investor-owned utilities in the region, OG&E was allowed to collect, through the GEP Rider, one-third of the amount by which OG&E's average annual cost of fuel was below 96.261 percent of the average of the other specified utilities. If OG&E's fuel cost exceeded 103.739 percent of the stated average, the Company was not allowed to recover one-third of the fuel costs above that average from Oklahoma customers. In its April 4, 2000 testimony, the Staff stated that they continued to support incentive programs that reward superior performance, but in their view the existing GEP Rider was not functioning as the Staff had originally envisioned it.

In June 2000, the OCC approved the GEP Rider for $6.6 million annually and the following four changes: (i) modifying OG&E's peer group to include utilities with a higher coal-to-gas generation mix; (ii) reducing the amount of fuel costs that can be recovered if OG&E's costs exceed the new peer group by changing the percentage above which OG&E will not be allowed to recover one-third of the fuel costs from Oklahoma customers from 103.739 percent to 101.0 percent; (iii) reducing OG&E's share of cost savings as compared to its new peer group from 33 percent to 30 percent; and (iv) limiting to $10.0 million the amount of any awards paid to OG&E or penalties charged to OG&E.

The final application relates to a review of 1999 fuel cost recoveries. OG&E assumes that this application also will be used to address the competitive bid process of its gas transportation service. In February 1997, the OCC issued an order (the "1997 Order") that, among other things, directed OG&E to commence competitively bid gas transportation service to its gas-fired plants no later than April 30, 2000. The order also set annual compensation for the transportation services provided by Enogex to OG&E at $41.3 million annually until March 1, 2000, at which time the rate would drop to $28.5 million (reflecting the completion of the recovery from ratepayers of the amortization premium paid by OG&E when it acquired Enogex in 1986) and remain at that level until competitively-bid gas transportation begins. Final firm bids were submitted by Enogex and other pipelines on April 15, 1999. In July 1999, OG&E filed an application with the OCC requesting approval of a performance-based rate plan for its Oklahoma retail customers from April 2000 until the introduction of customer choice for electric power in July 2002. As part of this application, OG&E stated that Enogex had submitted the only viable bid ($33.4 million per year) for gas transportation to its six gas-fired power plants that were the subject of the competitive bid. As part of its application to the OCC, OG&E offered to discount Enogex's bid from $33.4 million annually to $25.2 million annually. OG&E has executed a new gas transportation contract with Enogex under which Enogex continues to serve the needs of OG&E's power plants at a price to be paid by OG&E of $33.4 million annually and, if OG&E's proposal had been approved by the OCC, OG&E would have recovered a portion of such amount ($25.2 million) from its ratepayers. The Staff, the Office of the Oklahoma Attorney General and a coalition of industrial customers filed testimony questioning various parts of OG&E's performance-based rate plan, including the result of the competitive bid process, and suggested, among other things, that the bidding process be repeated or that gas transportation service to five of OG&E's gas-fired plants be awarded to parties other than Enogex. The Staff also filed testimony stating in substance that OG&E's electric rates as a whole were appropriate and did not warrant a rate review. OG&E negotiated with these parties in an effort to settle all issues (including the competitive bid process) associated with its application for a performance-based rate plan. When these negotiations failed, OG&E withdrew its application, which withdrawal was approved by the OCC in December 1999. OG&E recently entered into a stipulation (the "Stipulation") with the Staff, the Office of the Attorney General and a coalition of industrial customers regarding the competitive bid process of its gas transportation service. The Stipulation (which, with one exception, has been signed by all parties to the proceeding) permits OG&E to recover $25.2 million annually for gas transportation services to be provided by Enogex pursuant to the competitive bid process. The Stipulation is scheduled to be presented for approval to an Administrative Law Judge ("ALJ") in September 2000. The decision of the ALJ will then be presented to the OCC for its approval.

STATE RESTRUCTURING INITIATIVES

OKLAHOMA: As previously reported, Oklahoma enacted in April 1997 the Electric Restructuring Act of 1997 (the "Act"), which is designed to provide for choice by retail customers of their electric supplier by July 1, 2002. Various amendments to the Act were enacted in 1999 and 1998. Additional implementing legislation needs to be adopted by the Oklahoma legislature to address many specific issues associated with the Act and with deregulation. In May 2000, a bill addressing the specific issues of deregulation was passed in the Oklahoma State Senate and then was defeated in the Oklahoma House of Representatives. The Company cannot predict what, if any, legislation will be adopted at the next legislative session. Nevertheless, the Company expects to remain a competitive supplier of electricity.

ARKANSAS: In April 1999, Arkansas became the 18th state to pass a law calling for restructuring of the electric utility industry at the retail level. The new law targets customer choice of electricity providers by January 1, 2002. The new law also provides that utilities owning or controlling transmission assets must transfer control of such transmission assets to an independent system operator, independent transmission company or regional transmission group, if any such organization has been approved by the FERC. Other provisions of the new law permit municipal electric systems to opt in or out, permit recovery of stranded costs and transition costs and require filing of unbundled rates for generation, transmission, distribution and customer service. OG&E filed preliminary business separation plans with the APSC on August 8, 2000. The APSC has established a timetable to establish rules implementing the Arkansas restructuring statutes. The new law will significantly affect OG&E's future Arkansas operations. OG&E's electric service area includes parts of western Arkansas, including Ft. Smith, the second-largest metropolitan market in the state.

NATIONAL ENERGY LEGISLATION

In December 1999, the FERC issued Order 2000 to advance the formation of Regional Transmission Organizations ("RTOs"). The rule requires that each public utility that owns, operates or controls facilities for the transmission of electric energy in interstate commerce file by October 15, 2000, a proposal with respect to forming and participating in an RTO. The FERC also codified minimum characteristics and functions that a transmission entity must satisfy in order to be considered an RTO. The FERC's goal is to promote efficiency in wholesale electricity markets and to ensure that electricity consumers pay the lowest price possible for reliable service. The FERC expects that the RTOs will be operational by December 15, 2001.

REPORT OF BUSINESS SEGMENTS

The Company's electric utility operations are conducted through OG&E, an operating public utility engaged in the generation, transmission, distribution, and sale of electric energy. The non-utility operations are conducted through Enogex. Enogex is engaged in gathering and processing natural gas, producing natural gas liquids, transporting natural gas through its pipelines in Oklahoma and Arkansas for various customers (including OG&E), marketing electricity, natural gas and natural gas liquids and investing in the drilling for and production of crude oil and natural gas. The following is the Company's business segment results for the current periods.

	3 Months Ended June 30		6 Months Ended June 30	
	2000	1999	2000	1999
	(DOLLARS IN THOUSANDS)			
Operating Information:				
Operating Revenues				
Electric utility.....................	$ 335,573	$ 314,102	$ 580,905	$ 564,246
Non-utility..........................	465,704	191,967	830,818	346,317
Intersegment revenues (A)............	(74,373)	(55,208)	(103,238)	(81,497)
Total..............................	$ 726,904	$ 450,861	$ 1,308,485	$ 829,066
Net Income				
Electric utility.....................	$ 29,561	$ 33,729	$ 26,335	$ 43,918
Non-utility..........................	2,183	4,015	6,185	4,958
Total..............................	$ 31,744	$ 37,744	$ 32,520	$ 48,876

(A) Intersegment revenues are recorded at prices comparable to those of unaffiliated customers and are affected by regulatory considerations.

PART II. OTHER INFORMATION

ITEM 1 LEGAL PROCEEDINGS

Reference is made to Item 3 of the Company's 1999 Form 10-K and to Part II, Item 1 of the Company's Form 10-Q for the quarter-ended March 31, 2000 for a description of certain legal proceedings presently pending. There are no new significant cases to report against the Company or its subsidiaries and there have been no notable changes in the previously reported proceedings, except as set forth below:

Reference is made to paragraph 5 of Item 3 of the Company's 1999 Form 10-K for a description of the lawsuit brought by Melvin Scoggin and Oak Tree Resources, LLC (collectively, the "plaintiffs") against Enogex. The plaintiffs have appealed the decision of the trial court granting summary judgment in favor of Enogex. The Company continues to believe that this case is without merit.

ITEM 4 SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

(a) The Company's Annual Meeting of Shareowners was held on May 18, 2000.

(b) Not applicable.

(c) The matters voted upon and the results of the voting at the Annual Meeting were as follows:

(1) The Shareowners voted to elect the Company's nominees for election to the Board of Directors as follows:

William E. Durrett - 60,436,559 votes for election and 996,283 votes withheld

H. L. Hembree, III - 60,458,992 votes for election and 937,850 votes withheld

Steven E. Moore - 60,529,760 votes for election and 903,082 votes withheld

ITEM 6 EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

27.01 - Financial Data Schedule.

(b) Reports on Form 8-K

None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

OGE ENERGY CORP.
(Registrant)

By /s/ Donald R. Rowlett

Donald R. Rowlett
Vice President and Controller

(On behalf of the registrant and in
his capacity as Chief Accounting Officer)

August 11, 2000

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This schedule contains summary financial information extracted from the OGE Energy Corp. Consolidated Statements of Income, Balance Sheets and Statements of Cash Flows as reported on Form 10-Q as of June 30, 2000 and is qualified in its entirety by reference to such Form 10-Q.

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6-MOS
JUN-30-2000
JUN-30-2000
PER-BOOK
3,227,190
33,668
598,043
174,428
0
4,033,329
779
441,068
558,273
1,000,120
0
0
1,649,819
0
0
218,300
59,000
0
9,512
1,504
1,095,074
4,033,329
1,308,485
10,928
1,204,543
1,215,471
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6,859
99,873
67,353
32,520
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32,520
51,780
51,304
114,260
0.42
0.42