

OGE ENERGY CORP
Form 8-K
September 16, 2003

FORM 8-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 15, 2003

Commission file number 1-12579

OGE ENERGY CORP.

(Exact name of registrant as specified in its charter)

Oklahoma
(State or other jurisdiction of
incorporation or organization)

73-1481638
(I.R.S. Employer
Identification No.)

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The blackout in the northeast highlighted the critical nature of electric reliability, said OG&E spokesman Brian Alford. Reliability is something in which we must continually invest.

Alford added that the plan also will allow the company to recover the costs associated with the purchase of a new power plant near Oklahoma City, designed to meet customers' growing demand for electric power.

We believe that we have found an innovative way to change our base rates to purchase the efficient new power plant, invest in the reliability of our electric system, and address rising business costs, all without significantly impacting most customers' monthly electric bills, Alford said.

Residential customers and some very large electric consumers are likely to see an increase in their base electric rates, but Alford emphasized that OG&E expects to be able to minimize any increase in monthly residential electric bills.

Higher base rates don't necessarily mean higher monthly bills, Alford said. While base rates may increase for some customers, savings made possible by the efficiency of the new power plant and the expiration of an expensive, federally-mandated power contract may actually reduce the amount that some customers pay each month.

OG&E's rate plan will be similar to one contemplated in May this year, when OG&E notified the Commission of its intent to file details in June. The company then announced it would move its rate plan filing to later in the year, to allow more time for the power plant acquisition. In August, OG&E announced it had entered into an agreement to purchase a 400-megawatt interest in the 520-megawatt McClain power plant near Newcastle.

OG&E sought the power plant acquisition under a 2002 Oklahoma rate settlement agreement, which recognized the need for the company to acquire new generating capacity.

Alford noted that the company's new rate plan is subject to its successful completion of the power plant acquisition and, ultimately, to the approval of the Oklahoma Corporation Commission.

OG&E, a subsidiary of OGE Energy Corp. (NYSE: OGE), serves approximately 720,000 customers in a service territory spanning 30,000 square miles in Oklahoma and western Arkansas. OGE Energy also is the parent company of Enogex Inc., a natural gas pipeline business with principal operations in Oklahoma and Arkansas.