

OGE ENERGY CORP
Form S-3
July 29, 2005

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**Form S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

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 Number)*

**321 N. Harvey, P.O. Box 321
Oklahoma City, Oklahoma 73101-0321
(405) 553-3000**

*(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)*

**STEVEN E. MOORE
Chairman of the Board, President
and Chief Executive Officer
OGE Energy Corp.**

**321 N. Harvey, P.O. Box 321
Oklahoma City, Oklahoma 73101-0321
(405) 553-3000**

*(Name, address, including zip code, and telephone number,
including area code, of agent for service)*

Copy to:

**ROBERT J. JOSEPH
Jones Day
77 West Wacker
Chicago, Illinois 60601
(312) 269-4176**

Approximate date of commencement of proposed sale to the public: From time to time after this registration statement becomes effective.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price per Unit(1)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock (par value \$0.01 per share)	7,000,000	\$29.42	\$205,940,000	\$24,239
Rights to Purchase Series A Preferred Stock (par value \$0.01 per share)(2)				

(1) This amount is an estimate made solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act of 1933 and is based on the average of the high and low prices of the registrant's common stock on the New York Stock Exchange on July 25, 2005.

(2) One-half (1/2) of one right to purchase one one-hundredth (1/100) of a share of Series A preferred stock automatically trades with each share of common stock.

Pursuant to Rule 429 under the Securities Act of 1933, the prospectus contained in this registration statement will be used as a combined prospectus in connection with this registration statement and registration statement no. 333-104263 which was filed by the registrant on April 2, 2003 (the Prior Registration Statement) under which 530,415 shares of common stock (the Previously Registered Securities) have not yet been issued and sold. This registration statement is a new registration statement and also constitutes Post-Effective Amendment No. 1 to the Prior Registration Statement pursuant to which the total amount of unsold Previously Registered Securities may be offered and sold. Such post-effective amendment will become effective concurrently with the effectiveness of this registration statement in accordance with Section 8(a) of the Securities Act of 1933. In the event that any of such Previously Registered Securities are offered and sold prior to the effective date of this registration statement, the amount of such Previously Registered Securities so sold will not be included in the prospectus hereunder.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JULY 29, 2005

PROSPECTUS

**7,530,415 Shares
OGE ENERGY CORP.
Common Stock
AUTOMATIC DIVIDEND REINVESTMENT
AND STOCK PURCHASE PLAN**

This prospectus describes our automatic dividend reinvestment and stock purchase plan.

Our plan is designed to provide you with a convenient and economical way to purchase shares of our common stock, par value \$0.01 per share, and to reinvest all or a portion of the cash dividends paid on our common stock. Each share of common stock is accompanied by certain rights to purchase our Series A preferred stock pursuant to our Amended and Restated Rights Agreement dated October 10, 2000.

As a plan participant you may:

reinvest all or a portion of the cash dividends paid on our common stock registered in your name or common stock credited to your plan account in additional shares of common stock;

make an initial investment in our common stock with a cash payment of at least \$250 or, if you already are a holder of our common stock, you may increase your investment by making optional cash payments at any time of at least \$25 for any single investment, up to a maximum of \$100,000 per year. Investments greater than \$100,000 per year may be made only with our permission;

receive, upon written request, certificates for whole shares of common stock credited to your plan account;

deposit your common stock share certificates into the plan for safekeeping; and

sell shares of common stock credited to your plan account through the plan.

Shares of common stock will be purchased under the plan, at our option, from newly issued shares, shares held in our treasury or shares purchased in the open market. Any open market purchases will be made through an independent agent that we select. To the extent required by state securities laws in certain jurisdictions, offers under the plan to persons who are not currently shareowners must be only through a registered broker/ dealer. Our common stock is listed on the New York and Pacific Stock Exchanges and trades under the symbol OGE. The closing price on July 25, 2005 on the New York Stock Exchange was \$29.47.

Except as described below, the purchase price of newly issued or treasury shares of common stock purchased under the plan will be the average of the high and low sales prices of the common stock reported on the New York Stock Exchange Composite Tape as published in *The Wall Street Journal* for that date. The price of shares of common stock purchased in the open market will be the weighted average price per share of the aggregate number of shares purchased in the open market for the relevant period. We will pay all trading fees relating to shares of common stock purchased in the open market. Common stock purchased directly from us pursuant to an optional investment of more than \$100,000 (with our permission) may be priced at a discount from recent market prices (as described in this prospectus) ranging from 0% to 3%. We may change or adjust any discount at any time in our sole discretion.

We are providing this prospectus both to current and prospective participants in the plan. If you currently participate in the plan, this prospectus (including the materials incorporated by reference) provides more current information concerning our company and the plan and is intended to replace our prospectus dated April 14, 2003.

Investing in our common stock involves risks. Please consider carefully the Risk Factors beginning on page 1 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2005.

You should rely only on the information contained in or incorporated by reference into this prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in or incorporated by reference into this prospectus is accurate only as of the date on the front cover of this prospectus or the date of the document incorporated by reference herein.

TABLE OF CONTENTS

<u>FORWARD-LOOKING STATEMENTS</u>	i
<u>RISK FACTORS</u>	1
<u>THE COMPANY</u>	4
<u>USE OF PROCEEDS</u>	4
<u>OGE ENERGY CORP. AUTOMATIC DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN</u>	4
<u>FEDERAL INCOME TAX CONSEQUENCES</u>	18
<u>PLAN OF DISTRIBUTION</u>	19
<u>DESCRIPTION OF COMMON STOCK</u>	20
<u>LEGAL OPINIONS</u>	20
<u>EXPERTS</u>	20
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	21
<u>Opinion of Counsel</u>	
<u>Consent of Independent Registered Public Accounting Firm</u>	
<u>Power of Attorney</u>	

In this prospectus, unless the context otherwise requires, the terms OGE Energy, we, our, us and our company refer to OGE Energy Corp., an Oklahoma corporation.

FORWARD-LOOKING STATEMENTS

We have included or incorporated by reference in this prospectus statements that constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (the Securities Act) and Section 21E of the Securities Exchange Act of 1934 (the Exchange Act). These forward-looking statements can be identified by the use of terminology such as anticipate, believe, estimate, expect, hope, intend, may, objective, plan, should and similar expressions. You should be aware that those statements are only our predictions. The forward-looking statements included or incorporated by reference in this prospectus are not guarantees of future performance. They involve risks, uncertainties and assumptions. Our future results may differ materially from those expressed in these forward-looking statements. These statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks, including, among others, those described in detail under Risk Factors and the following:

general economic conditions, including the availability of credit, actions of rating agencies and their impact on capital expenditures;

our ability and the ability of our subsidiaries to obtain financing on favorable terms;

prices of electricity, natural gas and natural gas liquids, each on a stand-alone basis and in relation to each other;
business conditions in the energy industry;
competitive factors including the extent and timing of the entry of additional competition in the markets we serve;
unusual weather;

Table of Contents

federal or state legislation and regulatory decisions and initiatives that affect cost and investment recovery, have an impact on rate structures and affect the speed and degree to which competition enters our markets;

environmental laws and regulations that may impact our operations;

changes in accounting standards, rules or guidelines;

creditworthiness of suppliers, customers and other contractual parties;

the higher degree of risk associated with our nonregulated business compared with our regulated utility business; and

the other factors listed from time to time in reports we file with the Securities and Exchange Commission (the SEC).

In the light of these risks and uncertainties, there can be no assurance that the results and events contemplated by the forward-looking information contained or incorporated by reference in this prospectus will in fact transpire. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. You should carefully review the risks detailed under Risk Factors for a more complete discussion of the risks of an investment in our common stock.

Table of Contents

RISK FACTORS

An investment in our common stock involves a number of risks. You should carefully consider these risks, together with all of the other information included or incorporated by reference in this prospectus, before you decide to purchase our common stock. The risks described below are not the only risks that we face. Additional risks and uncertainties not currently known to us or risks and uncertainties we currently view as immaterial or do not reasonably anticipate occurring, may also impair our business operations. Any of these risks may have a material adverse effect on our business, financial condition, results of operations and cash flows. In that case, you may lose all or part of your investment in our common stock.

Our profitability depends to a large extent on the ability of our subsidiary, Oklahoma Gas and Electric Company (OG&E), to fully recover its costs from its customers and there may be changes in the regulatory environment that impair its ability to recover costs from its customers.

We are subject to comprehensive regulation by several federal and state utility regulatory agencies, which significantly influences our operating environment and OG&E's ability to fully recover its costs from utility customers. The utility commissions in the states where our utility subsidiary, OG&E, operates regulate many aspects of our utility operations including siting and construction of facilities, customer service and the rates that we can charge customers. The profitability of our utility operations is dependent on our ability to fully recover costs related to providing energy and utility services to our customers.

As a result of the energy crisis in California and the financial troubles at a number of energy companies, the regulatory environments in which we operate have received an increased amount of public attention. It is possible that there could be changes in the regulatory environment that would impair our ability to fully recover costs historically absorbed by our customers. State utility commissions generally possess broad powers to ensure that the needs of the utility customers are being met.

We are unable to predict the impact on our operating results from the future regulatory activities of any of the agencies that regulate us. Changes in regulations or the imposition of additional regulations could have an adverse impact on our results of operations.

Our rates are subject to regulation by the states of Oklahoma and Arkansas, as well as by a federal agency, whose regulatory paradigms and goals may not be consistent.

Our subsidiary, OG&E, is currently a vertically integrated electric utility and most of its revenue results from the sale of electricity to retail customers subject to bundled rates that are approved by the applicable state utility commission and the sale of electricity to wholesale customers subject to rates and other matters approved by the Federal Energy Regulatory Commission (the FERC).

OG&E operates in Oklahoma and western Arkansas and is subject to regulation by the Oklahoma Corporation Commission (the OCC) and the Arkansas Public Service Commission (the APSC), in addition to the FERC. Exposure to inconsistent state and federal regulatory standards may limit our ability to operate profitably. Further alteration of the regulatory landscape in which we operate may harm our financial condition and results of operations.

OG&E's Settlement Agreement with the OCC relating to its 2002 rate case targets \$75 million of savings over a three-year period from the acquisition of new generation. OG&E may not be able to achieve such targeted savings, in which case, OG&E may be required to credit any unrealized savings to its Oklahoma customers.

As part of OG&E's settlement agreement in November 2002, OG&E indicated that the acquisition of up to 400 megawatts of new generation should provide \$75 million of savings to its customers over three years. OG&E also agreed that if it is unable to demonstrate such savings, it will credit its customers any realized savings below \$75 million. We cannot assure you that OG&E will be able to realize the targeted \$75 million of savings to its customers, in which case, OG&E may be required to credit unrealized savings to its Oklahoma customers.

Table of Contents***We are subject to commodity price risk, credit risk and other risks associated with energy markets.***

We are exposed to market and credit risks in our generation, retail distribution and energy trading operations. To minimize the risk of market price and volume fluctuations, we may enter into physical or financial derivative instrument contracts to hedge purchase and sale commitments, fuel requirements and inventories of natural gas, distillate fuel oil, electricity, coal and emission allowances. However, financial derivative instrument contracts do not eliminate the risk. Specifically, such risks include commodity price changes, market supply shortages, credit risk and interest rate changes. The impact of these variables could result in our inability to fulfill contractual obligations, significantly higher energy or fuel costs relative to corresponding sales contracts or increased interest expense.

Credit risk includes the risk that counterparties that owe us money or energy will breach their obligations. If the counterparties to these arrangements fail to perform, we may be forced to enter into alternative arrangements. In that event, our financial results could be adversely affected, and we could incur losses.

We mark our energy trading portfolio to estimated fair market value on a daily basis (mark-to-market accounting), which causes earnings variability. Market prices are utilized in determining the value of electric energy, natural gas and related derivative commodity instruments. For longer-term positions, which are limited to a maximum of 18 months, and certain short-term positions for which market prices are not available, models based on forward price curves are utilized. These models incorporate estimates and assumptions as to a variety of factors such as pricing relationships between various energy commodities and geographic locations. Actual experience can vary significantly from these estimates and assumptions.

Increased competition resulting from restructuring efforts could have a significant financial impact on us and OG&E and consequently decrease our revenue and earnings.

We have been and will continue to be affected by competitive changes to the utility and energy industries. Significant changes already have occurred and additional changes have been proposed to the wholesale electric market. Although retail restructuring efforts in Oklahoma and Arkansas have stalled for the time being, if such efforts were renewed, retail competition and the unbundling of regulated energy service could have a significant financial impact on us due to an impairment of assets, a loss of retail customers, lower profit margins or increased costs of capital. Any such restructuring could have a significant impact on our consolidated financial position, results of operations and cash flows. We cannot predict when we will be subject to changes in legislation or regulation, nor can we predict the impact of these changes on our consolidated financial position, results of operations or cash flows. We believe that the prices OG&E charges for electricity and the quality and reliability of its service currently place it in a position to compete effectively in the energy market.

Recent events that are beyond our control have increased the level of public and regulatory scrutiny of our industry. Governmental and market reactions to these events may have negative impacts on our business, financial condition and access to capital.

As a result of the energy crisis in California during the summer of 2001, the volatility of natural gas prices in North America, the bankruptcy filing by Enron Corporation, accounting irregularities at public companies in general, and energy companies in particular, and investigations by governmental authorities into energy trading activities, companies in the regulated and unregulated utility business have been under an increased amount of public and regulatory scrutiny and suspicion. The accounting irregularities have caused regulators and legislators to review current accounting practices, financial disclosures and relationships between corporations and their independent auditors. The capital markets and ratings agencies also have increased their level of scrutiny. We believe that we are complying with all applicable laws and accounting standards, but it is difficult or impossible to predict or control what effect these types of events may have on our business, financial condition or access to the capital markets.

As a result of these events, Congress passed the Sarbanes-Oxley Act of 2002. It is unclear what additional laws or regulations may develop, and we cannot predict the ultimate impact of any future

Table of Contents

changes in accounting regulations or practices in general with respect to public companies, the energy industry or our operations specifically. Any new accounting standards could affect the way we are required to record revenues, expenses, assets and liabilities. These changes in accounting standards could lead to negative impacts on reported earnings or increases in liabilities that could, in turn, affect our reported results of operations.

We are a holding company with our primary assets being investments in our subsidiaries.

We are a holding company and thus our investments in our subsidiaries are our primary assets. Substantially all of our operations are conducted by our subsidiaries. Consequently, our operating cash flow and our ability to pay our dividends and service our indebtedness depends upon the operating cash flow of our subsidiaries and the payment of funds by them to us in the form of dividends. As of March 31, 2005, we had outstanding indebtedness and other liabilities of approximately \$380.5 million. Our subsidiaries are separate legal entities that have no obligation to pay any amounts due on our indebtedness or to make any funds available for that purpose, whether by dividends or otherwise. In addition, each subsidiary's ability to pay dividends to us depends on any statutory and contractual restrictions that may be applicable to such subsidiary, which may include requirements to maintain minimum levels of working capital and other assets. Claims of creditors, including general creditors, of our subsidiaries on the assets of these subsidiaries will have priority over our claims generally (except to the extent that we may be a creditor of the subsidiaries and our claims are recognized) and claims by our stockholders.

In addition, as discussed above, OG&E is regulated by state utility commissions in Oklahoma and Arkansas which generally possess broad powers to ensure that the needs of the utility customers are being met. To the extent that the state commissions attempt to impose restrictions on the ability of OG&E to pay dividends to us, it could adversely affect our ability to make payments on our indebtedness or otherwise meet our financial obligations.

We and our subsidiaries may be able to incur substantially more indebtedness, which may increase the risks created by our indebtedness.

The terms of the indentures governing our debt securities do not fully prohibit us or our subsidiaries from incurring additional indebtedness. If we or our subsidiaries are in compliance with the financial covenants set forth in our revolving credit agreements and the indentures governing our debt securities, we and our subsidiaries may be able to incur substantial additional indebtedness. If we or any of our subsidiaries incur additional indebtedness, the related risks that we and they now face may intensify.

Certain provisions in our charter documents and rights plan have anti-takeover effects.

Certain provisions of our certificate of incorporation and bylaws, as well as the Oklahoma corporations statute, may have the effect of delaying, deferring or preventing a change in control of OGE Energy. Such provisions, including those regulating the nomination of directors, limiting who may call special stockholders' meetings and eliminating stockholder action by written consent, together with the possible issuance of preferred stock of OGE Energy without stockholder approval, may make it more difficult for other persons, without the approval of our board of directors, to make a tender offer or otherwise acquire substantial amounts of our common stock or to launch other takeover attempts that a stockholder might consider to be in such stockholder's best interest. Additionally, our rights plan may also delay, defer or prevent a change of control of OGE Energy. Under the rights plan, each outstanding share of common stock has one half of a right attached that trades with the common stock. Absent prior action by our board of directors to redeem the rights or amend the rights plan, upon the consummation of certain acquisition transactions, the rights would entitle the holder thereof (other than the acquiror) to purchase shares of common stock at a discounted price in a manner designed to result in substantial dilution to the acquiror. These provisions could limit the price that investors might be willing to pay in the future for shares of our common stock, discourage third party bidders from bidding for us and could significantly impede the ability of the holders of our common stock to change our management.

Table of Contents

THE COMPANY

We are an energy and energy services provider offering physical delivery and management of both electricity and natural gas primarily in the south central United States. We conduct these activities through our electric utility and natural gas pipeline segments.

Our electric utility segment generates, transmits, distributes and sells electric energy in Oklahoma and western Arkansas. These operations are conducted through OG&E and are subject to regulation by the OCC, the APSC and the FERC.

Our natural gas pipeline segment transports and stores natural gas, gathers and processes natural gas and markets natural gas. These operations are conducted through Enogex Inc. and its subsidiaries.

We were incorporated in Oklahoma on August 4, 1995 and became the holding company parent of OG&E and Enogex Inc. on December 31, 1996.

Our principal executive offices are located at 321 North Harvey, P.O. Box 321, Oklahoma City, Oklahoma 73101-0321. Our telephone number is (405) 553-3000.

USE OF PROCEEDS

If newly issued or treasury shares of common stock are purchased under the plan, the proceeds from these sales will be used for general corporate purposes, including, without limitation, to provide funds for the redemption, repayment or retirement of our outstanding indebtedness or the advance or contribution of funds to one or more of our subsidiaries to be used for general corporate purposes, including, without limitation, to fund the acquisition of additional generating facilities or for their construction programs or for the redemption, repayment or retirement of their indebtedness. We will not receive any proceeds when shares of common stock are purchased under the plan in the open market.

OGE ENERGY CORP.

AUTOMATIC DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN

The following questions and answers summarize the provisions of our automatic dividend reinvestment and stock purchase plan as in effect on the date of this prospectus.

1. What Is the Plan?

The plan provides existing and potential investors in our company with a simple and convenient method of purchasing shares of our common stock without payment of any trading fees. The plan also provides you with a convenient way to reinvest all or a portion of your cash dividends in shares of our common stock.

2. What Is the Purpose of the Plan and What Are Some of Its Advantages and Disadvantages?

Purpose The purpose of the plan is to provide existing and potential investors in our company with a convenient way to purchase shares of our common stock and to reinvest all or a portion of their cash dividends in shares of our common stock. Because new shares may be purchased directly from us, we may receive additional funds for general corporate purposes.

Advantages

If you are not currently a record holder of our common stock, you may become a participant in the plan by making an initial minimum cash investment of at least \$250 to purchase common stock through the plan.

If you are currently a record holder of our common stock, but are not participating in the plan, you can become a participant by: (1) electing to have dividend payments on all or a portion of your

Table of Contents

common stock reinvested in common stock; (2) depositing your common stock certificates into the plan for safekeeping; or (3) making a minimum cash investment of at least \$25 to purchase common stock through the plan.

In addition to having your dividend payments reinvested in common stock, you may invest additional funds in common stock through optional cash investments of at least \$25 for any single investment up to \$100,000 per year. Optional cash investments may be made by check, money order or by individual or periodic electronic funds transfer from a predesignated bank account. Optional cash investments may be made occasionally or at regular intervals, as you desire. In our discretion, we may permit investments of greater than \$100,000 per year. See Question 9 below for a discussion of Requests for Waiver.

Funds invested in the plan are fully invested in common stock through the purchase of whole shares and fractions of shares, and proportionate cash dividends on fractions of shares of common stock are used to purchase additional shares of common stock.

The plan offers a safekeeping service whereby you may deposit, free of any service charges, your common stock certificates into the plan. Shares of common stock deposited will be credited to your account. You can select this service without participating in any other feature of the plan.

You may direct us, at any time and at no cost to you, to transfer all or a portion of the shares of common stock credited to your account (including any shares of common stock deposited into the plan for safekeeping) to the account of another participant (or to set up an account for a new participant in connection with this transfer) or to send certificate(s) representing these shares to you or another designated person or entity.

Periodic statements will be mailed to you showing all transactions completed during the year to date, total shares of common stock credited to your account and other information related to your account.

You may direct that all, a portion or none of your dividend payments on shares of our common stock that you own, including shares of common stock purchased for you under the plan and shares of common stock deposited into the plan for safekeeping, be reinvested in shares of common stock. Dividend payments not reinvested will be paid to you in cash or directly deposited to a designated bank account.

You may sell, through the plan, shares of common stock credited to your account (including those shares of common stock deposited into the plan for safekeeping). A \$10.00 service fee, as well as applicable trading fees of \$0.12 per share, will be deducted from the sale proceeds for each such transaction (see the answer to Question 23).

Disadvantages

You have no control over the price, and in the case of shares of common stock purchased or sold in the open market by an independent agent, the time, at which common stock is purchased or sold, respectively, for your account. Purchases in the open market generally will occur at least once each week. Funds not invested in common stock within 30 days after receipt will be promptly returned to you. Your sales under the plan will be made by an independent agent as soon as practicable after processing the sales request. Therefore, you bear the market risk associated with fluctuations in the price of the common stock. (See the answers to Questions 7, 8, 10, 14 and 18.)

No interest will be paid on funds held by the administrator of the plan pending investment under the plan.

You will be assessed service fees for certain transactions under the plan, including, among others, the sale of shares (see the answer to Question 23).

Table of Contents

3. Who Administers the Plan and What Are Some of the Functions Performed by the Administrator?

Administration of the plan is conducted by the individual (who may be an employee of our company), bank, trust company or other entity (including our company) appointed from time to time by us to act as administrator of the plan. Mellon Bank, N.A. is the current administrator. The administrator is responsible for administering the plan, receiving all your cash investments, maintaining records of account activities, issuing statements of account and performing other duties required by the plan. The number of shares credited to your account under the plan will be shown on your statement of account. Normally, certificates for shares purchased under the plan will not be issued to you, but will be held by the administrator and registered in the name of the administrator on your behalf. However, subject to the conditions described in the answers to Questions 11 and 12 regarding withdrawal of shares, certificates for any number of whole shares credited to your account under the plan will be issued to you upon your written request to the administrator. Any remaining whole and fractional shares will continue to be credited to your account. Certificates for fractional shares will not be issued.

The administrator may receive administrative support from Mellon Investor Services, a registered transfer agent and affiliate of Mellon Bank, N.A.

If we have decided that shares purchased under the plan are to be purchased in the open market, the administrator or another agent we select that is an agent independent of the issuer, as that term is defined in the rules and regulations under the Exchange Act, will purchase shares of common stock in the open market. In this prospectus, we refer to the agent independent of the issuer as the independent agent. The independent agent is responsible for purchasing and selling shares of common stock in the open market for participants' accounts in accordance with the provisions of the plan.

Except as provided in the answers to Questions 9 and 15, all communications regarding the plan should be made directly to the administrator through the following:

Internet

You can obtain information and perform certain transactions on your plan account via Investor ServiceDirect. A password is required to gain access to this service. You can establish your password when you visit the website. If you forget your password, you can reset it by calling 1-877-978-7778.

To access Investor ServiceDirect, you should log on to the Mellon Investor Services website at www.melloninvestor.com.

Telephone

You can telephone Shareholder Customer Service toll-free within the United States and Canada by calling 1-888-216-8114. An automated voice response system is available 24 hours a day, 7 days a week. Customer service representatives are available from 9:00 a.m. to 7:00 p.m., Eastern time, Monday through Friday (except holidays).

In Writing

You may write to the administrator at the following address:

Mellon Bank, N.A.
c/o Investor Services
P.O. Box 3338
South Hackensack, New Jersey 07606

You should be sure to include your name, address, daytime phone number, social security or tax I.D. number and a reference to OGE Energy on all correspondence.

Table of Contents

4. Am I Eligible to Participate in the Plan?

Whether or not you are a record holder of our common stock, you are eligible to participate in the plan, if: (1) you fulfill the conditions for participation described below in the third and fourth paragraphs of the answer to Question 5; and (2) if you are a citizen or resident of a country other than the United States, its territories and possessions, your participation would not violate local laws applicable to our company, the plan and you.

5. How Do I Participate?

If you are already a participant in the plan, you are not required to re-enroll. However, if you wish to change your participation in any way (for example, from partial to full reinvestment), you must submit instructions or a new enrollment form to that effect to the administrator.

After being furnished with a copy of this prospectus, you may join the plan at any time by enrolling on-line through Investor ServiceDirect at www.melloninvestor.com or by completing and signing an enrollment form in the manner set forth below. **All plan materials, including enrollment forms, as well as other plan forms and this prospectus, are available through Investor ServiceDirect or by contacting the administrator as indicated in the answer to Question 3 above.**

In order to become a participant in the plan, you can enroll on-line or submit an enrollment form to the administrator and either: (1) elect to have cash dividends paid on our common stock of which you are the record holder invested in common stock (see the answer to Question 10); (2) deposit share certificates into the plan for safekeeping (see the answer to Question 17); or (3) pay a \$3.00 enrollment fee (see the answer to Question 23) and make an initial cash investment (see the answer to Question 7).

If you are the beneficial owner of common stock registered in street name (for example, in the name of a bank, broker or trustee), you may participate in the plan by either: (1) transferring those securities into your own name and depositing those shares of common stock into the plan for safekeeping and/or electing to reinvest cash dividend payments on those shares in common stock (see the answer to Question 19); or (2) making arrangements with your record or registered holder (for example, your bank, broker or trustee, who will become the participant) to participate in the plan on your behalf.

You will become a participant after a properly completed enrollment form has been received and accepted by the administrator or after you enroll on-line. If you are a holder of common stock and your election is received by the administrator on or before the record date for payment of a cash dividend on common stock (dividend record dates for common stock normally are expected to be the tenth day of January, April, July and October), that cash dividend and all future cash dividends payable on your common stock will be used by the administrator to buy shares of common stock for your account under the plan to the extent you requested. See the answer to Question 10. If your election is not received on or before the record date for a cash dividend on common stock, the dividend will be paid to you in cash and the reinvestment of your dividends under the plan will begin with the next cash dividend payment on the common stock. Thus, for example, an October 30 cash dividend will be used to purchase shares of common stock under the plan only if your enrollment is received on or before October 10.

6. What Securities are Eligible for Automatic Dividend Reinvestment Under the Plan?

In addition to our common stock, we may from time to time designate, in our sole discretion, other equity or debt securities of our company or OG&E as eligible securities by notifying the administrator in writing of the designation.

7. How Do I Make Initial Cash Investments and Optional Cash Investments?

Initial Investments. Whether or not you are currently a record holder of our common stock, you may become a participant by making an investment through the plan as described below. **If you are not a record holder, you must authorize or include a minimum initial cash investment of at least \$250 and not more than \$100,000 with your completed enrollment. If you are a record holder and do not elect to have**

Table of Contents

dividends reinvested and do not deposit common stock certificates in the plan for safekeeping, you must authorize or include a minimum initial cash investment of at least \$25 with your completed enrollment. A \$3.00 enrollment fee will be deducted from your initial cash investment (see the answer to Question 23). Such investments may be made electronically, by personal check or money order payable to OGE/ Mellon Bank, N.A. **Do not send cash.**

Optional Cash Investments

General. You may make optional cash investments on-line through Investor ServiceDirect or by personal check, money order or electronic funds transfer from a predesignated bank account, as described below. Optional cash investments must be at least \$25 for any single investment. There is no obligation to make any optional cash investment and the amount and timing of your investments may vary from time to time.

Optional cash investments may not exceed \$100,000 in the aggregate per year. We refer to this limit on the dollar amount of optional cash investments as the maximum amount. In determining whether the maximum amount has been reached, initial investments will be counted as optional cash investments.

Optional cash investments by a current participant of more than \$100,000 per year and any initial cash investment by a new investor in excess of \$100,000, may only be made pursuant to a Request for Waiver that has been granted by us as described in more detail in the answer to Question 9.

On-line Investments. You may authorize individual or ongoing automatic deductions of a specified amount (not less than \$25.00) from a designated U.S. bank account through Investor ServiceDirect at www.melloninvestor.com. Please see the answer to Question 3 for information on how to access Investor ServiceDirect.

Check or Money Order. You may make optional cash investments by delivering to the administrator: (1) a completed optional cash investment stub which will be attached to your statement of account or enrollment form; and (2) a personal check or money order payable to OGE/ Mellon Bank, N.A. Do not send cash.

Electronic Transfer from Bank Account. You may make monthly automatic investments of a specified amount (not less than \$25 or more than \$100,000 per year) by electronic funds transfer from a predesignated U.S. bank account.

You can initiate monthly automatic deductions on-line through Investor ServiceDirect or you may complete and sign an automatic deduction form and return it to the administrator together with a voided blank check for the account from which funds are to be drawn. Automatic deductions will be processed and will become effective as promptly as practicable.

Once a monthly automatic deduction is initiated, funds will be drawn from your designated bank account on the fifteenth day of each month (unless such date falls on a bank holiday or weekend, in which case funds will be deducted on the next business day) and will be invested in common stock as soon as practicable, generally within a week.

You may change or terminate automatic deduction by notifying the administrator. To be effective for a particular deduction date, however, notification must be received by the administrator at least five business days preceding such deduction date.

No interest will be paid on amounts held pending investment.

8. When Will My Initial and Optional Cash Investments Be Applied to the Purchase of Common Stock?

Optional and initial cash investments of \$100,000 or less per year will be invested in common stock at least once each week, except where and to the extent any applicable federal securities laws or other

Table of Contents

government or stock exchange regulations otherwise require. **No interest will be paid on funds held by the administrator pending investment.**

Upon your request, a cash investment not already invested in common stock will be returned to you. However, no refund of a check or money order will be made until the funds from these instruments have been actually collected by the administrator. Accordingly, these refunds may be significantly delayed.

Optional and initial cash investments, pending investment pursuant to the plan, will be credited to your account and held in a trust account which will be separated from our other funds or monies. Cash investments not invested in common stock within 30 days of receipt will be promptly returned to you. All cash investments are subject to collection by the administrator of full face value in U.S. funds. The method of delivery of any cash investment is at your election and risk or that of an interested investor and will be deemed received when actually received by the administrator. If the delivery is by mail, it is recommended that you or the interested investor use properly insured registered mail with return receipt requested.

Cash dividends paid on shares of common stock credited to your account that were purchased through the plan with optional and initial cash investments will automatically be reinvested in shares of common stock unless you notify the administrator otherwise.

Funds payable to you as a result of a repurchase or tender of any of your shares of common stock may be invested in common stock through the plan at your request by delivering a properly completed enrollment form covering such securities to the administrator. Any amounts invested in common stock through the plan as described in the previous sentence will be treated as optional cash investments in determining whether the maximum amount has been reached.

9. How Do I Make Optional Cash Investments Over the Maximum Amount?

If you wish to make an optional cash investment in excess of \$100,000 per year and be eligible for a potential discount from the market price, you must obtain our prior written approval. With respect to August 2005, you should call us at 1-877-225-5643 on August 1, 2005 to see if we will be considering requests for waiver for that month. Thereafter, you should call us at 1-877-225-5643 on the first business day of a month to see if we will be considering requests for waiver for that month. If we are considering requests for waiver for a particular month, we will also announce the date when you should call back to obtain the days of the pricing period, any discount and the threshold price. For more information, see the answer to Question 15. If you are interested in obtaining such a waiver, you must submit a Request for Waiver. To make a request for waiver, you should obtain a Request for Waiver form by contacting us at 1-877-225-5643. Completed Request for Waiver forms should be sent to us via facsimile at 405-553-3612 by 5:00 p.m., New York City time, two days before the start of the applicable pricing period, unless otherwise specified. If we approve your request for waiver, then you must send your optional cash payment of greater than \$100,000 to the administrator. Such payments must be made in the manner specified in the Request for Waiver form and must be received by the administrator by 3:00 p.m., New York City time, on the day prior to the start of the applicable pricing period.

We also may make the foregoing information available on the Investor Relations segment of our website at www.oge.com or on another website we may establish for this purpose from time to time.

We have the sole discretion whether to approve any request to make an optional cash investment in excess of the \$100,000 annual maximum. We may grant those requests for waiver in order of receipt or by any other method that we determine to be appropriate. We also may determine the amount that you may invest pursuant to a waiver. In deciding whether to approve your request for waiver, we may consider, among other things, the following factors:

whether, at the time of such request, the administrator is acquiring shares of common stock for the plan directly from us or in the open market or in privately negotiated transactions with third parties;

our need for additional funds;

Table of Contents

our desire to obtain additional funds through the sale of common stock as compared to other sources of funds;

the purchase price likely to apply to any sale of common stock;

the extent and nature of your prior participation in the plan;

the number of shares of common stock you hold of record; and

the total amount of optional cash investments in excess of \$100,000 per year for which Requests for Waiver have been submitted.

If you do not receive a response from us in connection with your Request for Waiver, you should assume that we have denied your request.

If Requests for Waivers are submitted for any pricing period for an aggregate amount in excess of the amount we are then willing to accept, we may honor such requests in order of receipt, pro rata or by any other method that we determine, in our sole discretion, to be appropriate.

We reserve the right to modify, suspend or terminate participation in the plan by otherwise eligible registered holders or beneficial owners of our common stock for any reason whatsoever including elimination of practices that are inconsistent with the purposes of the plan.

10. How and When Are My Cash Dividends Reinvested?

You may elect to invest in common stock by reinvesting all or a portion of the cash dividends paid on all or a portion of the common stock registered in your name, common stock purchased through the plan and credited to your account and common stock deposited into the plan for safekeeping, by designating your election with the administrator. **If you do not make an election, cash dividends paid on shares of common stock credited to your account that were purchased through the plan or deposited into the plan for safekeeping will automatically be reinvested in shares of common stock.** If you elect partial reinvestment of cash dividends, you must designate the whole number of shares for which reinvestment is desired. Once you elect reinvestment, cash dividends on the designated shares of common stock will be reinvested in shares of common stock. **The amount reinvested will be reduced by any amount which is required to be withheld under any applicable tax or other statutes.** If you have specified partial reinvestment, that portion of cash dividends not designated for reinvestment will be sent to you by check in the usual manner or with regard to the partial reinvestment of cash dividends on common stock credited to your account, by electronic direct deposit, if you have elected the direct deposit option (see the answer to Question 13).

Dividends will be invested in common stock as soon as practicable following payment, however, purchases may be made over a number of days to meet the requirements of the plan. (See the answers to Questions 8 and 14.) Dividends not invested in common stock within 30 days of receipt will be promptly returned to you. Cash dividend reinvestment amounts, pending investment pursuant to the plan, will be credited to your account and held in a trust account which will be separated from our other funds or monies. **No interest will be paid on funds held by the administrator pending investment.**

11. How Do I Change Participation in, or Withdraw Shares From, the Plan?

You may change your reinvestment options, including changing the reinvestment level (i.e., full, partial or none) of cash dividends on-line through Investor ServiceDirect or by delivering written instructions or a new enrollment form to that effect to the administrator.

You may withdraw some or all of the common stock credited to your account from the plan at any time by delivering withdrawal instructions to the administrator by any of the options specified in the answer to Question 3. If you are submitting written instructions, we suggest that you use the stub portion of the statement of account to notify the administrator of your withdrawal instructions. In addition, if you will not be the record holder of the common stock after withdrawal, a stock assignment (stock power) and

Table of Contents

other necessary documentation must accompany the stub portion of the statement of account. Upon the administrator's receipt of the proper documentation, certificates representing the designated common stock will be sent to you, your broker or any other person that you have designated.

12. When May I Change Participation in, or Withdraw Shares From, the Plan?

You may change participation in, or withdraw from, the plan at any time.

To be effective with respect to a particular cash dividend, any instructions to change reinvestment options must be received by the administrator at least five business days prior to the payment date relating to the cash dividend. If instructions are not received by the administrator at least five business days prior to the payment date, the instructions will not become effective until after such dividend is paid. The shares of common stock purchased with these funds will be credited to your account.

Except as described in the following sentence, if the properly completed withdrawal instructions with regard to shares of common stock credited to your account are received on or after an ex-dividend date, but before the related dividend payment date, the withdrawal will be processed as described above in the answer to Question 11 and a separate check for the dividends will be mailed to you following the dividend payment date. If the properly completed withdrawal instructions with regard to shares of common stock credited to your account on which cash dividends are being reinvested are not received by the administrator at least five business days prior to a dividend payment date, the dividends paid on the dividend payment date will be invested in common stock through the plan, and: (1) if your withdrawal instructions cover less than all of the shares of common stock credited to your account, the newly purchased shares will be credited to your account; or (2) if your withdrawal instructions cover all of the shares of common stock credited to your account, the withdrawal instructions will not be processed until after the dividends have been invested in common stock through the plan, at which time certificates representing all of the shares credited to your account, including the newly purchased shares, will be sent to you or another recipient that you designate. (See the answer to Question 20 for the reinvestment level of dividends on shares of common stock credited to your account after a withdrawal.)

Certificates representing whole shares of common stock withdrawn from the plan will be sent to you or your designated recipient by first class mail as soon as practicable following the administrator's receipt of the required documentation, subject to the provisions of the preceding paragraph. Alternatively, you may request in writing that the administrator sell all or a portion of your shares, both whole and fractional, that are held in your account under the plan. Subject to the conditions expressed herein regarding the processing of withdrawals, the sale is to be effected by the independent agent in accordance with the answer to Question 18 and will be subject to a service fee of \$10.00 and a trading fee of \$0.12 per share (see the answers to Questions 18 and 23). Withdrawal of shares of common stock does not affect reinvestment of cash dividends on the shares withdrawn unless: (1) you are no longer the record holder of the shares; (2) the reinvestment is specifically discontinued by you (see the answer to Question 11); or (3) you terminate participation in the plan (see the answer to Question 22).

13. Can I Have a Portion of My Cash Dividends Deposited Directly Into My Bank Account?

If you elect not to reinvest all or any portion of cash dividends on shares of common stock credited to your account, you may receive these cash dividends by electronic deposit to your predesignated bank, savings, or credit union accounts. To receive a direct deposit of funds, you must complete and sign a direct deposit authorization form and return it to the administrator. Alternatively, you may authorize direct deposit of funds through Investor ServiceDirect. Direct deposit will become effective as promptly as practicable after receipt of a completed direct deposit authorization form. Changes in designated direct deposit accounts may be made by delivering a completed direct deposit authorization form to the administrator or on-line through Investor ServiceDirect.

Cash dividends on shares of common stock not designated for reinvestment and not directly deposited will be paid by check on the applicable dividend payment date.

Table of Contents

14. What Is the Source of Shares Purchased Under the Plan?

Shares of common stock purchased for participants under the plan will be either newly issued shares or shares held in our treasury or, at our option, shares of common stock purchased in the open market by an independent agent. The primary consideration in determining the source of shares is expected to be our need to increase equity capital. If we do not need to raise funds externally or if financing needs are satisfied using non-equity sources of funds to maintain our targeted capital structure, shares of common stock purchased for participants under the plan will be purchased in the open market, subject to the limitation discussed below for changing the source of shares of common stock. As of the date of this prospectus, shares of common stock purchased for participants under the plan are being purchased in the open market. The plan limits us from changing our determination regarding the source of purchases of the shares (i.e., directly from us or in the open market) more than once in any three-month period. You will be notified of any change in the source of shares.

Except as described below in the answer to Question 15 relating to Requests for Waiver, purchases of shares of common stock directly from us, whether newly issued or treasury shares, will be made at least once each week at the average of the high and low sales prices of the common stock reported on the New York Stock Exchange Composite Tape as published in *The Wall Street Journal* for the date these shares are purchased. In the event no trading is reported for the trading day, the purchase price may be determined by us on the basis of market quotations we deem appropriate. No trading fees will be charged on shares acquired directly from us.

Purchases in the open market generally will occur at least once each week, except where and to the extent necessary under any applicable federal securities laws or any other governmental or stock exchange regulations. Funds not invested in common stock within 30 days of receipt will be promptly returned to you. The price of any shares of common stock purchased in the open market for initial and optional cash investments will be the weighted average price per share of the aggregate number of shares purchased on such date. The price of any shares of common stock purchased in the open market relating to the reinvestment of dividends will be the weighted average price per share of the aggregate number of shares purchased to satisfy the plan requirements with respect to the dividend. All brokerage costs and trading fees for shares acquired in the open market will be paid by us.

With regard to open market purchases of shares of common stock by an independent agent, we, the administrator (if it is not also the independent agent) and you will not have any authority or power to direct the time or price at which shares may be purchased, the markets on which the shares are to be purchased (including on any securities exchange, in the over-the-counter market or in negotiated transactions), or the selection of the broker or dealer (other than any independent agent) through or from whom purchases may be made. The independent agent may commingle your funds with those of other participants for the purpose of executing purchase transactions. Dividend and voting rights will commence upon settlement, whether shares are purchased from us or any other source.