FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

[x] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1999

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

For the transition period from   to

Commission file number 1-7324

KANSAS GAS AND ELECTRIC COMPANY
(Exact name of registrant as specified in its charter)

KANSAS	48-1093840
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

P.O. BOX 208
WICHITA, KANSAS 67201
(Address of Principal Executive Offices)

316/261-6611
(Registrant's telephone number, including area code)

Indicated 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at May 17, 1999
Common Stock (No par value)	1,000 Shares

Registrant meets the conditions of General Instruction H(1)(a) and (b) to Form 10-Q and is therefore filing this form with a reduced disclosure format.

KANSAS GAS AND ELECTRIC COMPANY
INDEX

Part II. Other Information

KANSAS GAS AND ELECTRIC COMPANY
BALANCE SHEETS
(Dollars in Thousands)
(Unaudited)

	March 31, 1999	December 31, 1998
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 43	$ 41
Accounts receivable (net)	57,759	66,513
Advances to parent company (net)	73,834	64,405
Inventories and supplies (net)	43,696	43,121
Prepaid expenses and other	7,235	15,097
Total Current Assets	182,567	189,177
PROPERTY, PLANT AND EQUIPMENT (NET)	2,511,119	2,527,357
OTHER ASSETS:		
Regulatory assets	259,317	260,789
Other	82,848	80,648
Total Other Assets	342,165	341,437
TOTAL ASSETS	$3,035,851	$3,057,971
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 57,437	$ 78,510
Accrued liabilities	49,944	34,199
Accrued income taxes	37,851	29,599
Other	6,404	6,020
Total Current Liabilities	151,636	148,328
LONG-TERM LIABILITIES:		
Long-term debt (net)	684,178	684,167
Deferred income taxes and investment tax credits	780,615	785,116
Deferred gain from sale-leaseback	206,993	209,951
Other	86,280	92,165
Total Long-term Liabilities	1,758,066	1,771,399
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Common stock, without par value, authorized and issued 1,000 shares	1,065,634	1,065,634
Retained earnings	60,515	72,610
Total Shareholders' Equity	1,126,149	1,138,244
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$3,035,851	$3,057,971

The Notes to Financial Statements are an integral part of these statements.

KANSAS GAS AND ELECTRIC COMPANY
STATEMENTS OF INCOME
(Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31, 1999	Three Months Ended March 31, 1998
SALES	$ 133,910	$ 134,566
COST OF SALES	25,749	25,957
GROSS PROFIT	108,161	108,609
OPERATING EXPENSES:		
Operating and maintenance expense	39,137	35,507
Depreciation and amortization	25,057	24,433
Selling, general and administrative expense	13,795	12,636
Total Operating Expenses	77,989	72,576
INCOME FROM OPERATIONS	30,172	36,033
OTHER INCOME (EXPENSE)	(1,255)	4,843
EARNINGS BEFORE INTEREST AND TAXES	28,917	40,876
INTEREST EXPENSE:		
Interest expense on long-term debt	11,453	11,489
Interest expense on other	809	870
Total Interest Expense	12,262	12,359
EARNINGS BEFORE INCOME TAXES	16,655	28,517
INCOME TAXES	3,750	6,102
NET INCOME	$ 12,905	$ 22,415

The Notes to Financial Statements are an integral part of these statements.

KANSAS GAS AND ELECTRIC COMPANY
STATEMENTS OF INCOME
(Dollars in Thousands)
(Unaudited)

	Twelve Months Ended March 31, 1999	Twelve Months Ended March 31, 1998
SALES	$ 647,723	$ 605,220
COST OF SALES	149,152	129,489
GROSS PROFIT	498,571	475,731
OPERATING EXPENSES:		
Operating and maintenance expense	154,132	170,320
Depreciation and amortization	99,446	118,933
Selling, general and administrative expense	61,436	56,801
Total Operating Expenses	315,014	346,054
INCOME FROM OPERATIONS	183,557	129,677
OTHER INCOME (EXPENSE)	2,578	2,258
EARNINGS BEFORE INTEREST AND TAXES	186,135	131,935
INTEREST EXPENSE:		
Interest expense on long-term debt	45,954	46,069
Interest expense on other	3,307	3,701
Total Interest Expense	49,261	49,770
EARNINGS BEFORE INCOME TAXES	136,874	82,165
INCOME TAXES	42,619	18,794
NET INCOME	$ 94,255	$ 63,371

The Notes to Financial Statements are an integral part of these statements.

KANSAS GAS AND ELECTRIC COMPANY
STATEMENTS OF CASH FLOWS
(Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31, 1999	Three Months Ended March 31, 1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income.	$ 12,905	$ 22,415
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	25,057	24,433
Amortization of gain from sale-leaseback.	(2,958)	(2,957)
Changes in working capital items:		
Accounts receivable (net)	8,754	(160)
Inventories and supplies (net).	(575)	(981)
Prepaid expenses and other.	7,862	7,851
Accounts payable.	(21,073)	(20,935)
Accrued liabilities	15,745	12,971
Accrued income taxes.	8,252	11,651
Other	384	85
Changes in other assets and liabilities	(7,636)	(908)
Net cash flows from operating activities.	46,717	53,465
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Additions to utility plant.	(12,266)	(14,091)
Net cash flows (used in) investing activities	(12,266)	(14,091)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short-term debt (net)	-	(45,000)
Advances to parent company (net).	(9,429)	30,720
Retirements of long-term debt	(20)	(95)
Dividends to parent company	(25,000)	(25,000)
Net cash flows (used in) financing activities.	(34,449)	(39,375)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT	2	(1)
CASH AND CASH EQUIVALENTS:		
Beginning of period	41	43
End of period	$ 43	$ 42
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest on financing activities (net of amount capitalized)	$ 6,078	$ 6,618
Income taxes	-	-

The Notes to Financial Statements are an integral part of these statements.

KANSAS GAS AND ELECTRIC COMPANY
STATEMENTS OF CASH FLOWS
(Dollars in Thousands)
(Unaudited)

	Twelve Months Ended March 31, 1999	Twelve Months Ended March 31, 1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 94,255	$ 63,371
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	99,446	118,933
Amortization of gain from sale-leaseback	(11,829)	(11,828)
Changes in working capital items:		
Accounts receivable (net)	9,055	(7,348)
Inventories and supplies (net)	(1,696)	1,252
Prepaid expenses and other	2,079	576
Accounts payable	(3,614)	16,919
Accrued liabilities	4,228	(3,587)
Accrued income taxes	21,988	229
Other	2,287	(18)
Changes in other assets and liabilities	(8,598)	(7,947)
Net cash flows from operating activities	207,601	170,552
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Additions to utility plant	(75,594)	(85,938)
Net cash flows (used in) investing activities	(75,594)	(85,938)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short-term debt (net)	-	(10,000)
Advances to parent company (net)	(31,996)	25,482
Retirements of long-term debt	(10)	(95)
Dividends to parent company	(100,000)	(100,000)
Net cash flows (used in) financing activities	(132,006)	(84,613)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1	1
CASH AND CASH EQUIVALENTS:		
Beginning of period	42	41
End of period	$ 43	$ 42
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest on financing activities (net of amount capitalized)	$ 75,071	$ 72,622
Income taxes	37,520	45,100

The Notes to Financial Statements are an integral part of these statements.

KANSAS GAS AND ELECTRIC COMPANY
STATEMENTS OF COMMON SHAREHOLDERS' EQUITY
(Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31,		Twelve Months Ended March 31,	
	1999	1998	1999	1998
Common Stock	$1,065,634	$1,065,634	$1,065,634	$1,065,634
Retained Earnings:				
Beginning balance.	72,610	68,845	66,260	102,889
Net income	12,905	22,415	94,255	63,371
Dividends to parent company. . . .	(25,000)	(25,000)	(100,000)	(100,000)
Ending balance	60,515	66,260	60,515	66,260
Total Shareholders' Equity	$1,126,149	$1,131,894	$1,126,149	$1,131,894

The Notes to Financial Statements are an integral part of these statements.

KANSAS GAS AND ELECTRIC COMPANY
NOTES TO FINANCIAL STATEMENTS
(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business: Kansas Gas and Electric Company (the company, KGE) is a rate-regulated electric utility and wholly-owned subsidiary of Western Resources, Inc. (Western Resources). The company is engaged principally in the production, purchase, transmission, distribution, and sale of electricity. The company serves approximately 283,000 electric customers in southeastern Kansas. At March 31, 1999, the company had no employees. All employees are provided by the company's parent, Western Resources which allocates costs related to the employees of the company.

The Company owns 47% of Wolf Creek Nuclear Operating Corporation (WCNOC), the operating company for Wolf Creek Generating Station (Wolf Creek). The company records its proportionate share of all transactions of WCNOC as it does other jointly-owned facilities.

The company's unaudited financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and in accordance with the instructions to Form 10-Q. Accordingly, certain information and footnote disclosures normally included in financial statements presented in accordance with generally accepted accounting principles have been condensed or omitted. These financial statements and notes should be read in conjunction with the financial statements and the notes included in the company's 1998 Annual Report on Form 10-K. The accounting and rates of the company are subject to requirements of the Kansas Corporation Commission (KCC) and the Federal Energy Regulatory Commission (FERC).

In the opinion of the company's management, all adjustments, consisting only of normal recurring adjustments considered necessary for a fair presentation, have been included. The results of operations for the three months ended March 31, 1999 are not necessarily indicative of the results to be expected for the full year.

Reclassifications: Certain amounts in prior years have been reclassified to conform with classifications used in the current year presentation.

2. WESTERN RESOURCES AND KANSAS CITY POWER & LIGHT COMPANY MERGER AGREEMENT

In May 1999, a Stipulation and Agreement was reached with the Kansas Corporation Commission (KCC) staff which resulted in a set of settlement recommendations in connection with the KCPL merger. These recommendations have not been accepted by all parties and must be approved by the KCC. The KCC will review the Stipulation and Agreement and issue an order based on the agreement and the results of the technical hearings, which are in progress. Significant terms of the recommended settlement are as follows:

- An electric rate moratorium would be implemented for four years beginning on the day the merger closes
- Westar Energy would make three rate rebates of $15 million each to its Kansas retail customers on July 1 of 2001, 2002 and 2003
- Westar Energy would be allowed to include $300 million of the acquisition premium (amount is net of related deferred income taxes to be recorded) in its Kansas rate base
- Western Resources and KCPL would be allowed to earn a deferred return on certain new generating facilities that will be completed during the rate moratorium period. The deferred return would be calculated from the date of commercial operation of these generating assets until the earlier of the end of the rate moratorium or March 31, 2004. Estimated expenditures by Western Resources that qualify for the deferred return approximate $270 million.

For additional information on the Western Resources and Kansas City Power & Light Company Merger Agreement, see Note 13 of the company's 1998 Annual Report on Form 10-K.

3. COMMITMENTS AND CONTINGENCIES

Manufactured Gas Sites: The company is associated with three former manufactured gas sites which may contain coal tar and other potentially harmful materials. The company and the Kansas Department of Health and Environment (KDHE) entered into a consent agreement governing all future work at the three sites. The terms of the consent agreement will allow the company to investigate these sites and set remediation priorities based upon the results of the investigations and risk analyses. At March 31, 1999, the costs incurred from preliminary site investigation and risk assessment have been minimal.

For additional information on Commitments and Contingencies, see Note 2 of the company's 1998 Annual Report on Form 10-K.

4. INCOME TAXES

Total income tax expense included in the Statements of Income reflects the Federal statutory rate of 35%. The Federal statutory rate produces effective income tax rates of 22.5% and 31.1% for the three and twelve month periods ended March 31, 1999, compared to 21.4% and 22.9% for the three and twelve month periods ended March 31, 1998. The effective income tax rates vary from the Federal statutory rate due to the permanent differences, including the amortization of investment tax credits, benefits from corporate-owned life insurance, and accelerated amortization of certain deferred income taxes.

5. SEGMENTS OF BUSINESS

In 1998, the company adopted SFAS 131, "Disclosures about Segments of an Enterprise and Related Information." This statement requires the company to define and report the company's business segments based on how management currently evaluates its business. The company is evaluated from a segment perspective as a part of its parent company, Western Resources. The company is an integral component of Western Resources and its financial position and operations are managed as such. Based on the management approach to determining business segments, the company only has one business segment. This segment is nuclear generation. The company's remaining operations of fossil generation and energy delivery are fully integrated with those of Western Resources.

The accounting policies of the segments are substantially the same as those described in the summary of significant accounting policies. The company evaluates segment performance based on earnings before interest and taxes. The company has no single external customer from which it receives ten percent or more of revenues.

Three Months Ended March 31, 1999:

	Electric Operations	Nuclear Generation	Eliminating Items	Total
		(Dollars in Thousands)		
External sales. . .	$ 133,910	$ -	$ -	$ 133,910
Allocated sales . .		29,218	(29,218)	-
Earnings before interest and taxes	33,142	(4,225)		28,917
Interest expense. .				12,262
Earnings before income taxes . . .				16,655

Three Months Ended March 31, 1998:

	Electric Operations	Nuclear Generation	Eliminating Items	Total
		(Dollars in Thousands)		
External sales. . .	$ 134,566	$ -	$ -	$ 134,566
Allocated sales . .		29,239	(29,239)	-
Earnings before interest and taxes	44,822	(3,946)		40,876
Interest expense. .				12,359
Earnings before income taxes . . .				28,517

Year Twelve Months Ended March 31, 1999:

	Electric Operations	Nuclear Generation	Eliminating Items	Total
		(Dollars in Thousands)		
External sales. . .	$ 647,723	$ -	$ -	$ 647,723
Allocated sales . .		117,496	(117,496)	-
Earnings before interest and taxes	207,334	(21,199)	-	186,135
Interest expense. .				49,261
Earnings before income taxes . . .				136,874

Year Twelve Months Ended March 31, 1998:

	Electric Operations	Nuclear Generation	Eliminating Items	Total
		(Dollars in Thousands)		
External sales. . .	$ 605,220	$ -	$ -	$ 605,220
Allocated sales . .		102,449	(102,449)	-
Earnings before interest and taxes	186,523	(54,588)	-	131,935
Interest expense. .				49,770
Earnings before income taxes . . .				82,165

KANSAS GAS AND ELECTRIC COMPANY

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

INTRODUCTION

In Management's Discussion and Analysis we explain the general financial condition and the operating results for the company. We explain:

- What factors affect our business
- What our earnings and costs were for the three and twelve month periods ended March 31, 1999 and 1998
- Why these earnings and costs differed from period to period
- How our earnings and costs affect our overall financial condition
- Any other items that particularly affect our financial condition or earnings

The following Management's Discussion and Analysis of Financial Condition and Results of Operations updates the information provided in the 1998 Annual Report on Form 10-K and should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations in the company's 1998 Annual Report on Form 10-K.

FORWARD-LOOKING STATEMENTS

Certain matters discussed here and elsewhere in this Annual Report are "forward-looking statements." The Private Securities Litigation Reform Act of 1995 has established that these statements qualify for safe harbors from liability. Forward-looking statements may include words like we "believe," "anticipate," "expect" or words of similar meaning. Forward-looking statements describe our future plans, objectives, expectations or goals. Such statements address future events and conditions concerning capital expenditures, earnings, litigation, rate and other regulatory matters, possible corporate restructurings, mergers, acquisitions, dispositions, liquidity and capital resources, interest and dividend rates, Year 2000 Issue, environmental matters, changing weather, nuclear operations and accounting matters. What happens in each case could vary materially from what we expect because of such things as electric utility deregulation, including ongoing state and federal activities; future economic conditions; legislative developments; our regulatory and competitive markets; and other circumstances affecting anticipated operations, sales and costs.

FINANCIAL CONDITION

General

Net income of $12.9 million for the three months ended March 31, 1999 decreased substantially from $22.4 million for the same period in 1998. The decrease in net income was primarily due to higher operating expenses, a decrease in other income, and an electric rate decrease that was implemented on June 1, 1998. The decrease in other income was related to proceeds received in 1998 from corporate-owned life insurance policies.

Net income for the twelve months ended March 31, 1999, of $94.3 million, increased from net income of $63.4 million for the comparable period of 1998. The increase was primarily attributable to increased sales because of warmer weather, lower operating expenses, and the completion of the amortization of a regulatory asset in December 1997.

OPERATING RESULTS

The following discussion explains significant changes in results of sales, cost of sales, operating expenses, other income (expense), interest expense and income taxes between the three and twelve month periods ended March 31, 1999 and comparable periods of 1998.

Sales

Sales are based on energy deliveries and rates authorized by the Kansas Corporation Commission (KCC) and the Federal Energy Regulatory Commission (FERC). Rates charged for the sale and delivery of electricity are designed to recover the cost of service and allow investors a fair rate of return. Our sales vary with levels of energy deliveries. Changing weather affects the amount of energy our customers use. Very hot summers and very cold winters prompt more demand, especially among our residential customers. Mild weather reduces demand.

Many things will affect our future sales. They include:

- The weather
- Our electric rates
- Competitive forces
- Customer conservation efforts
- Wholesale demand
- The overall economy of our service area

The following table reflects changes in retail electric energy deliveries for the three and twelve months ended March 31, 1999 from the comparable periods of 1998.

	3 Months Ended	12 Months Ended
Residential	(0.1)%	11.2%
Commercial	3.7%	7.7%
Industrial	(2.6)%	(0.2)%
Wholesale	(3.2)%	(8.6)%
Total	(0.6)%	3.0%

Sales decreased slightly for the three months ended March 31, 1999, as a result of decreased residential and industrial energy deliveries and the effect of our $10 million electric rate reduction implemented on June 1, 1998.

Sales increased $42.5 million or 7% for the twelve months ended March 31, 1999, primarily due to increased residential energy deliveries as a result of warmer summer temperatures. Our June 1, 1998 electric rate reduction partially offset this increase.

Cost of Sales

Items included in energy cost of sales are fuel expense and purchased power expense (electricity we purchase from others for resale).

Electric fuel costs are included in base rates. Therefore, if we wished to recover an increase in fuel costs, we would have to file a request for recovery in a rate filing with the KCC which could be denied in whole or in part. Any increase in fuel costs from the projected average which the company did not recover through rates would reduce our earnings. The degree of any such impact would be affected by a variety of factors, however, and thus cannot be predicted.

Actual cost of fuel to generate electricity (coal, nuclear fuel, natural gas or oil) and the amount of power purchased from other utilities decreased slightly for the first quarter of 1999. Cost of sales were $19.7 million higher for the twelve months ended March 31, 1999. With an increase in customer demand for electricity and the availability of our Wolf Creek nuclear generating station and La Cygne coal generating station during the twelve months ended March 31, 1999, we produced more electricity. The increase in net generation caused our fuel costs to increase for the twelve months ended March 31, 1999.

OPERATING EXPENSES

Operating and Maintenance Expense

Total operating and maintenance expense increased $3.6 million or over 10% for the three months ended March 31, 1999. The increase is attributable to an increase in KGE's portion of costs shared with Western Resources which are associated with the dispatching of electric power. The restarting of our Neosho generation station, a boiler outage at our Gordon Evans generation station, and preliminary refueling expenses at Wolf Creek also contributed to the increase.

Wolf Creek was taken off-line on April 3, 1999, for its tenth refueling and maintenance outage. We anticipate our operating expenses (including cost of sales) will increase in 1999 as a result of this outage. Wolf Creek was returned to service on May 9, 1999.

Total operating and maintenance expense decreased $16.2 million or 9% for the twelve months ended March 31, 1999. This decrease is primarily due to a decrease in costs associated with the dispatching of electric power as mentioned above.

Depreciation and Amortization Expense

Depreciation and amortization expense increased $0.6 million for the first quarter in 1999 from 1998 as a result of an increase in our plant depreciation base. Depreciation and amortization expense decreased $19.5 million for the twelve months ended March 31, 1999 from 1998 primarily due to the complete amortization of a regulatory asset in 1997.

Selling, General and Administrative Expense

Selling, general and administrative expense increased $1.2 million and $4.6 million for the three and twelve months ended March 31, 1999, from the same periods in 1998. Most of these increases are attributable to higher employee benefit costs.

Business Segments

We define and report our business segments based on how management currently evaluates our business. We are evaluated from a segment perspective as a part of our parent company, Western Resources. Our company is an integral component of Western Resources and its financial position and operations are managed as such. Based on the management approach to determining business segments, our company only has one business segment. This segment is nuclear generation. Our remaining operations of fossil generation and energy delivery are fully integrated with those of Western Resources.

We along with Western Resources manage our business segments' performance based on our earnings before interest and taxes (EBIT).

Allocated sales are external sales collected from customers by our electric operations segment that are allocated to our nuclear generation business segment based on demand and energy cost. The following discussion identifies key factors affecting our business segment.

Nuclear Generation

	3 Months Ended March 31,		12 Months Ended March 31,	
	1999	1998	1999	1998
	(Dollars in Thousands)			
Allocated sales	$ 29,218	$ 29,239	$117,496	$102,449
EBIT.	(4,225)	(3,946)	(21,199)	(54,588)

Nuclear fuel generation has no external sales because it provides all of its power to its co-owners KGE, KCPL and Kansas Electric Power Cooperative, Inc. The amounts above are our 47% share of Wolf Creek's operating results.

Allocated sales and EBIT were higher for the twelve months ended March 31, 1999 compared to the same period in 1998 because Wolf Creek operated the entire period without any outages. In the fourth quarter of 1997, the Wolf Creek facility was off line for 58 days for a scheduled maintenance outage. EBIT was also higher because depreciation and amortization expense decreased $26 million because we had fully amortized a regulatory asset during 1997.

On April 3, 1999, Wolf Creek was taken off-line for a schedule maintenance outage. The outage was completed 36 days later on May 9, 1999.

Other Income (Expense)

Other income (expense) includes miscellaneous income and expenses not directly related to our operations. Other income and (expense) for the first quarter decreased $6.1 million. The decrease is attributed to benefits received during the first quarter of 1998 pursuant to our corporate-owned life insurance policies totaling $6.8 million. Other income for the twelve months ended March 31, 1999, realized a slight increase over the same period in 1998.

Interest Expense

Interest expense includes the interest we paid on outstanding debt. We experienced a slight decrease in interest expense for the first quarter and the twelve months ended March 31, 1999. Our average outstanding short-term debt balances were lower during both periods which contributed to the decreases in interest expense. After January 1998, no short-term debt has been held.

LIQUIDITY AND CAPITAL RESOURCES

The company's liquidity is a function of its ongoing construction and maintenance program designed to improve facilities which provide electric service and meet future customer service requirements. Our ability to provide the cash or debt to fund our capital expenditures depends upon many things, including available resources, our financial condition and current market conditions.

Other than operations, our primary source of short-term cash is from short-term bank loans. At March 31, 1999, we had no short-term borrowings.

OTHER INFORMATION

Year 2OOO Issue

We, as part of the Western Resources Year 2000 readiness program, are currently addressing the effect of the Year 2000 Issue on information systems and operations. We face the Year 2000 Issue because many computer systems and applications abbreviate dates by eliminating the first two digits of the year, assuming that these two digits are always "19". On January 1, 2000, some computer programs may incorrectly recognize the date as January 1, 1900. Some computer systems and applications may incorrectly process critical information or may stop processing altogether because of the date abbreviation. Calculations using dates beyond December 31, 1999 may affect computer applications before January 1, 2000.

Overall, based on manhours as a measure of work effort, Western Resources believes it is approximately 76% complete with its readiness efforts.

The estimated progress of Western Resources departments and business units, exclusive of WCNOC, at March 31, 1999, based on manhours, is as follows:

Department/Business Unit	Percentage Completion
Fossil Fuel	50%
Power Delivery.	74%
Information Technology.	87%
Administrative.	76%

Western Resources currently estimates that total costs to update all of its electric utility operating systems for Year 2000 readiness, excluding costs associated with WCNOC discussed below, to be approximately $6.9 million, of which $4.3 million represents IT costs and $2.6 million represents non-IT costs. As of March 31, 1999 Western Resources has expensed approximately $5.0 million of these costs, of which $3.7 million represent IT costs and $1.3 million represent non-IT costs. Based on what they know, they expect to incur the remaining $1.9 million, of which $0.6 million represents IT costs and $1.3 million represents non-IT costs, by the end of 1999. Western Resources has allocated approximately $2.0 million of the expensed costs to our company and we expect an additional $0.8 million to be allocated for the remaining costs to be incurred.

WOLF CREEK NUCLEAR OPERATING CORPORATION (WCNOC): The table below sets forth estimates of the status of the components of WCNOC's Year 2000 readiness program at March 31, 1999.

Phase	Estimated Completion Date	Percentage Completion
Identification and assessment of plant components		100%
Identification and assessment of computers/software (Note 1)		100%
Identification and Assessment of Other Areas (Note 2)		100%
Identified mission critical remediations complete (Note 3)	Oct 99	60%
Comprehensive testing guidelines		100%
Comprehensive testing (Note 4)	Jun 99	55%
Contingency planning guidelines		100%
Contingency planning individual plans	Jun 99	80%

Note 1 - Several computers are on three year lease and will not be obtained until 1999.
Note 2 - Includes items such as measuring/test and telecommunications equipment.
Note 3 - Two major modifications are currently scheduled to be completed after June 1999, the remaining remediations are presently scheduled for completion prior to July 1999.
Note 4 - These tests are being used to define the options available for minor remediations. Several other post-remediation tests will also be performed.

WCNOC has established a goal of completing all assessments of affected systems by the end of the second quarter of 1999, and has a goal to complete mission critical remediations by the end of the third quarter, except for one scheduled for October, 1999.

WCNOC has estimated the costs to complete the Year 2000 project at $3.9 million ($1.8 million, our share). As of March 31, 1999, $2.0 million ($0.9 million, our share) had been spent on the project. A summary of the projected costs to complete and actual costs incurred through March 31, 1999, is as follows:

	Projected Costs	Actual Costs
	(Dollars in Thousands)	
Wolf Creek Labor and Expenses. .	$ 499	$ 319
Contractor Costs	1,004	733
Remediation Costs.	2,245	966
Total.	$3,748	$2,018

Approximately $2.9 million ($1.4 million, our share) of WCNOC's total Year 2000 cost is purchased items and installation costs associated with remediation. Of these remediation costs, $1.8 million ($0.8 million, our share) are associated with seven major jobs which are completed or in progress. All of these costs are being expensed as they are incurred and are being funded on a daily basis along with our normal costs of operations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The company has not experienced any significant changes in its exposure to market risk since December 31, 1998. For additional information on the company's market risk, see the Form 10-K dated December 31, 1998.

KANSAS GAS AND ELECTRIC COMPANY
Part II Other Information

Item 1. Legal Proceedings

None

Item 2. Changes in Securities and Use of Proceeds

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Submission of Matters to a Vote of Security Holders

Information required by Item 4 is omitted pursuant to General Instruction H(2)(b) to Form 10-Q.

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

Exhibit 12 - Computation of Ratio of Earnings to Fixed Charges for 12 Months Ended March 31, 1999 (filed electronically)

Exhibit 27 - Financial Data Schedule (filed electronically)

(b) Reports on Form 8-K:

None

SIGNATURE

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.

KANSAS GAS AND ELECTRIC COMPANY

Date May 17, 1999

By /s/ Richard D. Terrill
Richard D. Terrill
Secretary, Treasurer and
General Counsel

Exhibit 12

KANSAS GAS AND ELECTRIC COMPANY
Computations of Ratio of Earnings to Fixed Charges
(Dollars in Thousands)

	Unaudited Twelve Months Ended March 31, 1999	Year Ended December 31, 1998	1997	1996	1995	1994
Net Income.	$ 94,255	$103,765	$ 52,128	$ 96,274	$110,873	$104,526
Taxes on Income	42,619	44,971	17,408	36,258	51,787	55,349
Net Income Plus Taxes.	136,874	148,736	69,536	132,532	162,660	159,875
Fixed Charges:						
Interest on Long-Term Debt. . . .	45,954	45,990	46,062	46,304	47,073	47,827
Interest on Other Indebtedness. .	3,307	3,368	4,388	11,758	5,190	5,183
Interest on Corporate-owned Life Insurance Borrowings . . .	31,515	32,368	31,253	27,636	25,357	20,990
Interest Applicable to Rentals. .	24,961	25,106	25,143	25,539	25,375	25,096
Total Fixed Charges	105,737	106,832	106,846	111,237	102,995	99,096
Earnings (1).	$242,611	$255,568	$176,382	$243,769	$265,655	$258,971
Ratio of Earnings to Fixed Charges.	2.29	2.39	1.65	2.19	2.58	2.61

(1) Earnings are deemed to consist of net income to which has been added income taxes (including net deferred investment tax credit) and fixed charges. Fixed charges consist of all interest on indebtedness, amortization of debt discount and expense, and the portion of rental expense which represents an interest factor.

5

This schedule contains summary financial information extracted from the Balance Sheet at March 31, 1999 and the Statement of Income for the three months ended March 31, 1999 and is qualified in its entirety by reference to such financial statements.

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3-MOS
DEC-31-1999
MAR-31-1999
43
0
60,001
2,242
43,696
182,567
3,658,170
1,147,051
3,035,851
151,636
684,178
0
0
1,065,634
60,515
3,035,851
133,910
133,910
25,749
103,738
0
0
12,262
16,655
3,750
12,905
0
0
0
12,905
0
0