SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
X QUARTERLY REPORT PURSUANT TO SECTION 13 or 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 1999

OR

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 1-3523

WESTERN RESOURCES, INC.
(Exact Name of Registrant as Specified in Its Charter)

KANSAS	48-0290150
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
818 KANSAS AVENUE, TOPEKA, KANSAS	66612
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code (785) 575-6300

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

Yes X No

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, $5.00 par value	66,398,457

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WESTERN RESOURCES, INC.
CONSOLIDATED BALANCE SHEETS
(Dollars in Thousands)
(Unaudited)

	March 31, 1999	December 31, 1998
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 26,272	$ 16,394
Accounts receivable (net)	188,750	222,715
Inventories and supplies (net)	104,146	95,590
Marketable securities	274,218	288,077
Prepaid expenses and other	49,613	57,225
Total Current Assets	642,999	680,001
PROPERTY, PLANT AND EQUIPMENT (NET)	3,788,263	3,795,143
OTHER ASSETS:		
Investment in ONEOK	619,690	615,094
Customer accounts (net)	1,073,772	1,014,428
Goodwill (net)	1,181,450	1,188,253
Regulatory assets	362,245	364,213
Other	319,351	294,296
Total Other Assets	3,556,508	3,476,284
TOTAL ASSETS	$7,987,770	$7,951,428
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of long-term debt	$ 235,009	$ 165,838
Short-term debt	368,125	312,472
Accounts payable	86,526	127,834
Accrued liabilities	262,661	252,367
Accrued income taxes	45,849	32,942
Deferred security revenues	61,329	57,703
Other	85,201	85,690
Total Current Liabilities	1,144,700	1,034,846
LONG-TERM LIABILITIES:		
Long-term debt (net)	3,070,428	3,063,064
Western Resources obligated mandatorily redeemable preferred securities of subsidiary trusts holding solely company subordinated debentures	220,000	220,000
Deferred income taxes and investment tax credits	931,384	938,659
Minority interests	204,697	205,822
Deferred gain from sale-leaseback	206,994	209,951
Other	269,417	316,245
Total Long-term Liabilities	4,902,920	4,953,741
COMMITMENTS AND CONTINGENCIES		

SHAREHOLDERS' EQUITY:		
Cumulative preferred and preference stock	24,858	24,858
Common stock, par value $5 per share, authorized 85,000,000 shares, outstanding 66,153,689 and 65,909,442 shares, respectively.	330,768	329,548
Paid-in capital	779,809	775,337
Retained earnings	808,678	823,590
Accumulated other comprehensive income (net)	(3,963)	9,508
Total Shareholders' Equity.	1,940,150	1,962,841
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY.	$7,987,770	$7,951,428

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

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Dollars in Thousands, Except Per Share Amounts)
(Unaudited)

	Three Months Ended March 31, 1999	Three Months Ended March 31, 1998
SALES:		
Energy	$ 312,035	$ 305,548
Security	148,547	76,795
Total Sales	460,582	382,343
COST OF SALES:		
Energy	106,653	106,310
Security	41,274	23,993
Total Cost of Sales	147,927	130,303
GROSS PROFIT	312,655	252,040
OPERATING EXPENSES:		
Operating and maintenance expense	79,082	77,702
Depreciation and amortization	83,770	60,925
Selling, general and administrative expense	71,868	48,618
Total Operating Expenses	234,720	187,245
INCOME FROM OPERATIONS	77,935	64,795
OTHER INCOME (EXPENSE):		
Investment earnings	22,890	19,356
Minority interest	700	(72)
Other	(418)	4,232
Total Other Income (Expense)	23,172	23,516
EARNINGS BEFORE INTEREST AND TAXES	101,107	88,311
INTEREST EXPENSE:		
Interest expense on long-term debt	59,151	38,957
Interest expense on short-term debt and other	11,649	11,443
Total Interest Expense	70,800	50,400
EARNINGS BEFORE INCOME TAXES	30,307	37,911
INCOME TAXES	9,560	8,098
NET INCOME	20,747	29,813
PREFERRED AND PREFERENCE DIVIDENDS	282	1,230
EARNINGS AVAILABLE FOR COMMON STOCK	$ 20,465	$ 28,583
AVERAGE COMMON SHARES OUTSTANDING	66,089,199	65,409,603
BASIC EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING	$ 0.31	$ 0.44
DIVIDENDS DECLARED PER COMMON SHARE	$ .535	$ .535

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

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Dollars in Thousands, Except Per Share Amounts)
(Unaudited)

	Twelve Months Ended March 31, 1999	Twelve Months Ended March 31, 1998
SALES:		
Energy	$1,619,446	$1,711,054
Security	492,847	196,856
Total Sales	2,112,293	1,907,910
COST OF SALES:		
Energy	691,811	738,337
Security	149,072	43,739
Total Cost of Sales	840,883	782,076
GROSS PROFIT	1,271,410	1,125,834
OPERATING EXPENSES:		
Operating and maintenance expense	338,887	368,878
Depreciation and amortization	303,518	256,972
Selling, general and administrative expense	286,560	311,755
Write-off international development activities	98,916	-
Write-off deferred merger costs	-	48,008
Monitored services special charge	-	24,292
Total Operating Expenses	1,027,881	1,009,905
INCOME FROM OPERATIONS	243,529	115,929
OTHER INCOME (EXPENSE):		
Gain on sale of Tyco securities	-	864,253
Investment earnings	53,331	31,392
Minority interest	1,154	3,786
Other	1,624	35,891
Total Other Income (Expense)	56,109	935,322
EARNINGS BEFORE INTEREST AND TAXES	299,638	1,051,251
INTEREST EXPENSE:		
Interest expense on long-term debt	191,049	135,134
Interest expense on short-term debt and other	55,471	59,589
Total Interest Expense	246,520	194,723
EARNINGS BEFORE INCOME TAXES	53,118	856,528
INCOME TAXES	16,019	368,230
NET INCOME BEFORE EXTRAORDINARY GAIN	37,099	488,298
EXTRAORDINARY GAIN, NET OF TAX	1,591	-
NET INCOME	38,690	488,298
PREFERRED AND PREFERENCE DIVIDENDS	2,643	4,919
EARNINGS AVAILABLE FOR COMMON STOCK	$ 36,047	$ 483,379
AVERAGE COMMON SHARES OUTSTANDING	65,801,314	65,276,370
BASIC EARNINGS PER AVERAGE COMMON SHARE OUTSTANDING:		
EARNINGS AVAILABLE FOR COMMON STOCK BEFORE EXTRAORDINARY GAIN	$ 0.53	$ 7.41
EXTRAORDINARY GAIN	0.02	-
EARNINGS AVAILABLE FOR COMMON STOCK	$ 0.55	$ 7.41
DIVIDENDS DECLARED PER COMMON SHARE	$ 2.14	$ 2.11

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

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31, 1999	1998
Net income	$20,747	$29,813
Other comprehensive (loss) income, before tax:		
Unrealized (loss) gain on marketable securities (net)	(21,382)	14,465
Unrealized (loss) on currency translation	(1,102)	-
Other comprehensive (loss) income, before tax	(22,484)	14,465
Income tax benefit (expense)	9,013	(5,754)
Other comprehensive (loss) income, net of tax	(13,471)	8,711
Comprehensive income	$ 7,276	$38,524

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

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Dollars in Thousands)
(Unaudited)

	Twelve Months Ended March 31, 1999	1998
Net income	$ 38,690	$488,298
Other comprehensive (loss) income, before tax:		
Unrealized holding (losses) gains on marketable securities arising during the period	(53,091)	39,713
Less: Reclassification adjustment for losses included in net income	14,029	-
Unrealized (loss) gain on marketable securities (net)	(39,062)	39,713
Unrealized (loss) on currency translation	(2,128)	-
Other comprehensive (loss) income, before tax	(41,190)	39,713
Income tax benefit (expense)	16,397	(18,883)
Other comprehensive (loss) income, net of tax	(24,793)	20,830
Comprehensive income	$13,897	$509,128

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

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31, 1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income.	$ 20,747	$ 29,813
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	83,770	60,925
Equity in earnings from investments	(5,644)	(5,576)
Accretion of discount note interest.	(1,659)	-
Changes in working capital items (net of effects from acquisitions):		
Accounts receivable (net)	28,069	146,248
Inventories and supplies (net).	(8,379)	(5,709)
Prepaid expenses and other.	9,088	3,348
Accounts payable.	(41,308)	(56,099)
Accrued liabilities	(22,691)	12,112
Accrued income taxes.	12,907	10,435
Deferred revenue.	3,691	(422)
Other	(2,195)	20,532
Changes in other assets and liabilities	(18,052)	(1,869)
Net cash flows from operating activities.	58,344	213,738
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Additions to property, plant and equipment (net).	(41,571)	(33,908)
Customer account acquisitions	(78,601)	(64,703)
Monitored services acquisitions, net of cash acquired . .	(20,722)	(274,030)
Purchases of marketable securities.	(10,464)	-
Proceeds from sales of marketable securities.	2,887	-
Other investments (net)	(7,264)	(59,041)
Net cash flows (used in) investing activities	(155,735)	(431,682)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short-term debt (net)	55,653	225,750
Proceeds of long-term debt.	81,583	764
Retirements of long-term debt	-	(35,732)
Issuance of common stock (net).	5,692	-
Cash dividends paid	(35,659)	(35,570)
Net cash flows from financing activities.	107,269	155,212
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS. . . .	9,878	(62,732)
CASH AND CASH EQUIVALENTS:		
Beginning of the period	16,394	76,608
End of the period	$ 26,272	$ 13,876
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest on financing activities (net of amount capitalized).	$ 78,882	$ 56,591
Income taxes.	256	161

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

WESTERN RESOURCES, INC.
CONSOLIDATED 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	$ 38,690	$ 488,298
Extraordinary gain	(1,591)	-
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	303,518	256,972
Loss (gain) on sale of securities	14,029	(864,253)
Accretion of discount note interest	(1,659)	-
Equity in earnings from investments	(6,132)	(17,804)
Write-off of deferred merger costs	-	48,008
Write-off of international development activities	98,916	-
Monitored services special charge	-	24,292
Changes in working capital items (net of effects from acquisitions):		
Accounts receivable (net)	665	112,980
Inventories and supplies	(10,670)	(24,824)
Marketable securities	6,293	(10,461)
Prepaid expenses and other	(21,248)	5,038
Accounts payable	(18,822)	(39,043)
Accrued liabilities	(77,214)	67,497
Accrued income taxes	8,054	2,367
Deferred revenue	4,113	(422)
Other	(22,727)	17,814
Changes in other assets and liabilities	(69,397)	(57,057)
Net cash flows from operating activities	244,818	9,402
CASH FLOWS USED IN INVESTING ACTIVITIES:		
Additions to property, plant and equipment (net)	(190,548)	(202,160)
Customer account acquisition	(291,565)	(106,510)
Purchases of marketable securities	(271,500)	-
Proceeds from sales of securities	30,782	1,533,530
Monitored services acquisitions, net of cash acquired	(295,888)	(712,747)
Proceeds from issuance of stock by subsidiary (net)	45,565	-
Other investments (net)	(39,674)	(85,560)
Net cash flows (used in) from investing activities	(1,012,828)	426,553
CASH FLOWS FROM FINANCING ACTIVITIES:		
Short-term debt (net)	(94,125)	(764,487)
Proceeds of long-term debt	1,177,057	519,357
Retirements of long-term debt	(131,336)	(54,102)
Issuance of common stock (net)	22,976	17,656
Redemption of preference stock	(50,000)	-
Cash dividends paid	(144,166)	(142,792)
Net cash flows from (used in) financing activities	780,406	(424,368)
NET INCREASE IN CASH AND CASH EQUIVALENTS	12,396	11,587
CASH AND CASH EQUIVALENTS:		
Beginning of the period	13,876	2,289
End of the period	$ 26,272	$ 13,876
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
CASH PAID FOR:		
Interest on financing activities (net of amount capitalized)	$ 258,380	$ 168,413
Income taxes	47,602	59,809

SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:

During the fourth quarter of 1997 the company contributed the net assets of its natural gas business totaling approximately $594 million to ONEOK in exchange for a 45% ownership interest in ONEOK.

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

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF CUMULATIVE PREFERRED STOCK
(Dollars in Thousands)
(Unaudited)

	March 31, 1999	December 31, 1998
Preferred stock not subject to mandatory redemption, Par value $100 per share, authorized 600,000 shares, outstanding -		
4 1/2% Series, 138,576 shares.	$ 13,858	$ 13,858
4 1/4% Series, 60,000 shares	6,000	6,000
5% Series, 50,000 shares	5,000	5,000
Total Preferred Stock.	$ 24,858	$ 24,858

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

WESTERN RESOURCES, INC.
CONSOLIDATED STATEMENTS OF COMMON SHAREHOLDERS' EQUITY
(Dollars in Thousands)
(Unaudited)

	Three Months Ended March 31, 1999	Three Months Ended March 31, 1998	Twelve Months Ended March 31, 1999	Twelve Months Ended March 31, 1998
Cumulative Preferred and Preference Stock:				
Beginning balance.	$ 24,858	$ 74,858	$ 74,858	$ 74,858
Redemption of preference stock	-	-	(50,000)	-
Ending balance	24,858	74,858	24,858	74,858
Common Stock:				
Beginning balance.	329,548	327,048	327,048	324,361
Issuance of common stock . . .	1,220	-	3,720	2,687
Ending balance	330,768	327,048	330,768	327,048
Paid-in-Capital:				
Beginning balance.	775,337	760,553	760,553	745,584
Expenses on common stock . . .	-	-	-	(5)
Issuance on common stock . . .	4,472	-	19,256	14,974
Ending balance	779,809	760,553	779,809	760,553
Retained Earnings:				
Beginning balance.	823,590	919,911	913,500	567,882
Net income	20,747	29,813	38,690	488,298
Dividends on preferred and preference stock	(282)	(1,230)	(2,643)	(4,919)
Dividends on common stock. . .	(35,377)	(34,994)	(140,869)	(137,761)
Ending balance	808,678	913,500	808,678	913,500
Accumulated Other Comprehensive Income (net):				
Beginning balance.	9,508	12,119	20,830	-
Unrealized gain (loss) on equity securities.	(21,382)	14,465	(39,062)	39,713
Unrealized gain (loss) on currency translation	(1,102)	-	(2,128)	-
Income tax benefit (expense) .	9,013	(5,754)	16,397	(18,883)
Ending balance	(3,963)	20,830	(3,963)	20,830
Total Shareholders' Equity	$1,940,150	$2,096,789	$1,940,150	$2,096,789

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

WESTERN RESOURCES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Description of Business: Western Resources, Inc. (the company) is a publicly traded consumer services company. The company's primary business activities are providing electric generation, transmission and distribution services to approximately 620,000 customers in Kansas and providing monitored services to approximately 1.6 million customers in North America, the United Kingdom and Continental Europe. In addition, through the company's 45% ownership interest in ONEOK, Inc. (ONEOK), natural gas transmission and distribution services are provided to approximately 1.4 million customers in Oklahoma and Kansas. Rate regulated electric service is provided by KPL, a division of the company and Kansas Gas and Electric Company (KGE), a wholly-owned subsidiary. Monitored services are provided by Protection One, Inc. (Protection One), a publicly-traded, approximately 85%-owned subsidiary.

Principles of Consolidation: The company's unaudited consolidated 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 consolidated 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.

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. Certain purchase price allocations for acquisitions made in 1998 by Protection One were made on a preliminary basis and are subject to change based on the final determination of net asset values and completion of appraisals.

New Pronouncements: On January 1, 1999, the company adopted Emerging Issues Task Force Issue No. 98-10, "Accounting for Contracts Involved in Energy Trading and Risk Management Activities" (EITF Issue 98-10). EITF Issue 98-10 requires energy trading contracts to be recorded at fair value on the balance sheet, with the changes in the fair value included in earnings. Adoption of EITF 98-10 resulted in an increase in operating income of approximately $800,000 for the first quarter of 1999.

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

2. INTERNATIONAL POWER DEVELOPMENT ACTIVITIES

The company terminated the employment of employees of the Wing Group (Wing) during the first quarter of 1999, in accordance with the company's previously announced plans to exit the international power development business. In addition to these terminations, all development activity was discontinued. Certain exit activities which occurred during the first quarter, as contemplated in the exit plan, included closing Wing offices and handling other matters related to terminating the activity of this subsidiary. Through March 31, 1999, approximately $1.7 million has been expended as costs to exit these activities of which $0.2 million was incurred for severance costs. All amounts expended during the quarter ended March 31, 1999, were charged to the exit cost accruals established as of December 31, 1998.

Management is not aware of any factors which would change its conclusions regarding the write-down of equity investments recorded during the fourth quarter of 1998. The company is evaluating all of its options in regard to these equity investments including selling or otherwise terminating the company's participation in these investments.

At March 31, 1999, approximately $21.2 million of accrued exit fees and shut down costs are included in accrued liabilities on the accompanying Consolidated Balance Sheet. Exit fees for the former principal officers of Wing represent the largest outstanding obligation related to the company's remaining exit plan. The company plans to complete all significant aspects of this closure by the end of 1999.

3. MERGER AGREEMENT WITH KANSAS CITY POWER & LIGHT COMPANY (KCPL)

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
- The company 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 the company that qualify for the deferred return approximate $270 million.

For additional information on the Merger Agreement with Kansas City Power & Light Company, see Note 21 of the company's 1998 Annual Report on Form 10-K.

4. LEGAL PROCEEDINGS

The Securities and Exchange Commission (SEC) has commenced a private investigation relating, among other things, to the timeliness and adequacy of disclosure filings with the SEC by the company with respect to securities of ADT Ltd. The company is cooperating with the SEC staff relating to the investigation.

In April 1999, three alleged class action litigations were filed in the United States District Court for the Central District of California against Protection One, Inc. and certain of its present and former officers. In one of the actions, Western Resources, Inc. was also named as a defendant. The three actions are: "David Lyons v. Protection One., Inc., Western Resources, Inc., James M. Mackenzie, Jr., John W. Hesse, and John E. Mack, III," No. 99-CV-3755 (C.D.Cal.) (filed April 7, 1999); "Randall Karkutt v. Protection One, Inc., James M. Mackenzie, Jr., and John W. Hesse," No. 99-CV-3798 (C.D.Cal.) (filed April 8, 1999); and "David Shaev v.Protection One, Inc., John E. Mack, III, James H. Mackenzie, Jr., and John Hesse," No. 99-CV-4147 (C.D.Cal.) (filed April 20, 1999). The actions are purportedly brought on behalf of purchasers of the common stock of Protection One, Inc. during periods beginning February 10, 1998 ("Karkutt"), February 12, 1998 ("Shaev"), or April 23, 1998, ("Lyons") and ending April 1, 1999. All three complaints assert claims under Sections 10(b) and 20 of the Securities Exchange Act of 1934 based on allegations that various statements made by the defendants concerning the financial results of Protection One, Inc. were false and misleading and not in compliance with generally accepted accounting principles. The complaints seek unspecified amounts of damages and an award of fees and expenses, including attorneys fees. The company and Protection One believe these actions are without merit and intend to defend against them vigorously.

The company and its subsidiaries are involved in various other legal, environmental and regulatory proceedings. Management believes that adequate provision has been made and accordingly believes that the ultimate dispositions of these matters will not have a material adverse effect upon the company's overall financial position or results of operations.

5. COMMITMENTS AND CONTINGENCIES

Manufactured Gas Sites: The company has been associated with 15 former manufactured gas sites located in Kansas 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 15 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 analysis. At March 31, 1999, the costs incurred for preliminary site investigation and risk assessment have been minimal. In accordance with the terms of the strategic alliance with ONEOK, ownership of twelve of these sites and the responsibility for clean-up of these sites were transferred to ONEOK. The ONEOK agreement limits the company's future liability associated with these sites to an immaterial amount. The company's investment earnings from ONEOK could be impacted by these costs.

Amortization of Customer Accounts: The SEC staff has questioned the appropriateness of the amortization method used by Protection One for its intangible asset, customer accounts. These costs are currently amortized on a straight-line basis over a 10-year period which Protection One believes is appropriate and consistent with industry practices and its attrition experience. Protection One routinely evaluates historical loss rates for customer accounts on an aggregate basis and, when necessary, adjusts amortization over the remaining estimated useful life. A change in Protection One's present amortization method which would materially accelerate the recognition of amortization expense would have a material adverse effect on the company's results of operations. Protection One anticipates resolution of this issue during the second quarter of 1999.

Split Dollar Life Insurance Program: Obligations under the company's split dollar life insurance program can increase and decrease based on the company's total return to shareholders. During the first quarter of 1999, the related liability decreased about $4 million.

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

6. INCOME TAXES

Total income tax expense included in the Consolidated Statements of Income reflects the Federal statutory rate of 35%. The Federal statutory rate produces effective income tax rates of 31.5% and 30.2% for the three and twelve month periods ended March 31, 1999 compared to 21.4% and 43.0% for the three and twelve month periods ended March 31, 1998. The effective income tax rates vary from the Federal statutory rate due to permanent differences, including dividend income, the amortization of investment tax credits, and accelerated amortization of certain deferred income taxes.

7. 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. Management has segmented its business based on differences in products and services, production processes, and management responsibility. Based on this approach, the company has identified four reportable segments: fossil generation, nuclear generation, power delivery and monitored services.

Three Months Ended March 31, 1999:

	Fossil Generation	Nuclear Generation	Power Delivery	Monitored Services	Other	Eliminating/ Reconciling Items	Total
	(Dollars in Thousands)						
External sales. . .	$ 79,361	$ -	$ 232,340	$ 148,547	$ 331	$ 3	$ 460,582
Allocated sales . .	125,662	29,218	69,380	-	-	(224,260)	-
Earnings before interest and taxes	47,225	(4,225)	15,631	17,542	27,813	(2,879)	101,107
Interest expense. .							70,800
Earnings before income taxes . . .							30,307

Three Months Ended March 31, 1998:

	Fossil Generation	Nuclear Generation	Power Delivery	Monitored Services	Other	Eliminating/ Reconciling Items	Total
	(Dollars in Thousands)						
External sales. . .	$ 74,167	$ -	$ 231,076	$ 76,795	$ 313	$ (8)	$ 382,343
Allocated sales . .	119,891	29,239	16,623	-	-	(165,753)	-
Earnings before interest and taxes	40,255	(3,946)	23,176	11,333	13,483	4,010	88,311
Interest expense. .							50,400
Earnings before income taxes . . .							37,911

Twelve Months Ended March 31, 1999:

	Fossil Generation	Nuclear Generation	Power Delivery	Monitored Services	(1)Other	Eliminating/ Reconciling Items	Total
	(Dollars in Thousands)						
External sales. . .	$ 531,168	$ -	$1,086,975	$ 492,847	$ 1,360	$ (57)	$2,112,293
Allocated sales . .	523,134	117,496	119,249	-	-	(759,879)	-
Earnings before interest and taxes	151,327	(21,199)	188,853	62,936	(87,658)	5,379	299,638
Interest expense. .							246,520
Earnings before income taxes . . .							53,118

Twelve Months Ended March 31, 1998:

	Fossil Generation	Nuclear Generation	Power Delivery	(2)Monitored Services	(3,4)Other	Eliminating/ Reconciling (5)Items	Total
	(Dollars in Thousands)						
External sales. . .	$ 246,225	$ -	$1,020,752	$ 196,856	$ 442,116	$ 1,961	$1,907,910
Allocated sales . .	517,366	102,449	66,492	-	-	(686,307)	-
Earnings before interest and taxes	148,239	(54,588)	170,089	(33,833)	875,884	(54,540)	1,051,251
Interest expense. .							194,723
Earnings before income taxes . . .							856,528

(1) Earnings before interest and taxes (EBIT) includes investment earnings of $22.4 million and write-off of international power development activities of $98.9 million.
(2) EBIT includes monitored services special charge of $24.3 million.
(3) EBIT includes investment earnings of $41.6 million and gain on sale of Tyco securities of $864.2 million.
(4) Includes natural gas operations. The company contributed substantially all of its natural gas business in exchange for a 45% equity interest in ONEOK in November 1997.
(5) EBIT includes write-off of deferred merger costs of $48 million.

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 Western Resources, Inc. and its subsidiaries. We explain:

- What factors impact our business
- What our earnings and costs were for the three and twelve month periods ending 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 our 1998 Annual Report on Form 10-K.

Forward-Looking Statements

Certain matters discussed here and elsewhere in this Form 10-Q 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, ability to enter new markets successfully and capitalize on growth opportunities in nonregulated businesses, events in foreign markets in which investments have been made, 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.

OPERATING RESULTS

Western Resources Consolidated

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998: Basic earnings per share for the first quarter in 1999 were $O.31 per common share compared to $O.44 per common share in the first quarter of 1998. The primary reasons for this decline are the electric rate decreases that were implemented on June 1, 1998, and certain non-recurring gains that were recorded in the first quarter of 1998. These non-recurring gains were related to proceeds received in 1998 from corporate owned life insurance policies and to a gain on the repurchase of certain customer contracts in our monitored services business segment.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: Operating results are difficult to compare because of Protection One's acquisition activity in 1998, a $99 million charge to income in the fourth quarter of 1998 to exit the international power development business and the pre- tax gain on the sale of Tyco International Ltd. (Tyco) common stock of $864 million recorded in the third quarter of 1997.

In addition to the gain on the sale of Tyco common stock recorded in 1997, we recorded charges in the fourth quarter of 1997 which included $48 million of deferred KCPL merger costs and approximately $24 million recorded by Protection One to recognize higher than expected customer attrition and to record costs related to the acquisition of Protection One.

In November 1997, we completed our strategic alliance with ONEOK and contributed substantially all of our natural gas business to ONEOK in exchange for a 45% ownership interest in ONEOK. Following the strategic alliance, the consolidated sales, related cost of sales and operating expenses for our former natural gas business have been replaced by investment earnings from ONEOK. Sales and cost of sales from our former natural gas business for the twelve months ended March 31, 1998, were $284 million and $172 million.

Electric Utility

The sales and cost of sales of the electric utility business are included in energy sales and cost of sales in the Consolidated Statements of Income. For the twelve months ended March 31, 1998, energy sales includes natural gas sales through November 1997, and energy cost of sales includes natural gas purchased through November 1997.

Net income from our electric utility business improved 8% to $20 million for the three months ended March 31, 1999, due to increased wholesale sales volumes.

Net income for the twelve months ended March 31, 1999, were $72 million higher than the comparable period in 1998 because of higher sales. We experienced warmer weather during the summer months in 1998 than we did in 1997 which resulted in increased net income by $20 million. The effect of our electric rate decrease lowered twelve month net income by $5 million. Also, in December 1997, we recorded a charge totaling approximately $48 million to write-off the original merger costs associated with the KCPL merger.

The following table reflects the increases in electric sales volumes for the three and twelve months ended March 31, 1999, from the comparable periods of 1998.

	Three Months Ended	Twelve Months Ended
Residential.	1.4 %	9.4%
Commercial	1.8 %	6.4%
Industrial	(0.6)%	0.8%
Other.	-	0.5%
Total retail . . .	0.8 %	5.4%
Wholesale.	17.8 %	4.4%
Total.	4.3 %	5.2%

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998: Sales between periods remained relatively constant. Sales volume increased 4% due to wholesale sales volumes and power marketing sales. The increase in volume, however, was offset by the effect of the electric rate decrease implemented on June 1, 1998. This rate decrease had an effect of reducing sales for the first quarter of 1999 by $2.3 million. This rate decrease was implemented in accordance with a 1997 order from the Kansas Corporation Commission.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: Total electric sales increased 28%. Electric utility sales increased 7% due to increased retail sales volumes as a result of warmer summer temperatures and a power marketing sales increase of 229%. A $10 million electric rate decrease implemented on June 1, 1998, partially offset this increase.

Total electric cost of sales increased 66% due mostly to higher power marketing cost of sales. Depreciation and amortization expense decreased $17 million, or 10%, primarily because we had fully amortized a regulatory asset during 1997.

Electric Utility Business Segments

We manage our electric utility business segments' performance based on their earnings before interest and taxes (EBIT).

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

Fossil Generation

	Three Months Ended March 31,		Twelve Months Ended March 31,	
	1999	1998	1999	1998
	(Dollars in Thousands)			
External sales.	$ 79,361	$ 74,167	$531,168	$246,225
Allocated sales	125,662	119,891	523,134	517,366
EBIT.	47,225	40,255	151,327	148,239

Fossil generation's external sales reflect power produced for sale to external wholesale customers outside our historical marketing territory and internally to the power delivery segment.

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998: External sales increased $5 million due primarily to higher wholesale sales. Allocated sales increased $5 million because of increases in demand for power and energy related to increased retail customer sales. Higher sales partially offset by higher operating expenses increased EBIT by $7 million.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: External sales increased mostly because of increased power marketing sales of $384 million compared to $117 million. Through March 31, 1999, our power marketing activity has had an insignificant effect on EBIT.

Nuclear Generation

	Three Months Ended March 31,		Twelve 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 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.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: Allocated sales and EBIT were higher 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 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.

Power Delivery

	Three Months Ended March 31,		Twelve Months Ended March 31,	
	1999	1998	1999	1998
	(Dollars in Thousands)			
External sales.	$232,340	$231,076	$1,086,975	$1,020,752
Allocated sales	69,380	16,623	119,249	66,492
EBIT.	15,631	23,176	188,853	170,089

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998: Allocated sales were $53 million higher because the customer service operations of Power Delivery are now allocated a fee for use of the distribution lines and transformers. Allocated sales to other business segments increased $5 million because of increases in demand for power and energy related to increased retail customer sales.

EBIT decreased $8 million. Five percent milder weather than same quarter last year decreased EBIT by $3 million. Higher sales allocated to other business segments also decreased EBIT by $5 million.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: In addition to our normal customer growth, we experienced warmer weather during the summer months in 1998 than we did in 1997 which improved external sales, allocated sales and EBIT.

Monitored Services

Protection One operates and manages our monitored services business. The results discussed below reflect Protection One on a stand-alone basis and do not take into consideration the minority interest of about 15% at March 31, 1999.

	Three Months Ended March 31,		Twelve Months Ended March 31,	
	1999	1998	1999	1998
	(Dollars in Thousands)			
External sales.	$148,547	$ 76,795	$492,847	$196,856
EBIT.	17,542	11,333	62,936	(33,833)

External sales, EBIT and operating results for both the three and twelve months ended March 31, 1999, have increased significantly following Protection One's acquisitions of security businesses in Europe in the second quarter and late in the third quarter of 1998 and the continued growth of Protection One's North American operations. Results for the three and twelve months ended March 31, 1998, reflect only the operations of Protection One's North American operations. During the first quarter of 1998, Protection One added approximately 374,000 customers through acquisitions.

Included in twelve months ended March 31, 1999, EBIT is a non-recurring gain approximating $16 million on the repurchase of customer contracts covered by a financing arrangement. A charge of approximately $24 million adversely affected twelve months ended March 31, 1998, EBIT. The charge was needed to recognize higher than expected customer attrition and to record costs related to the acquisition of Protection One.

The following table reflects the change in Protection One's operating results for the three months ended March 31, 1999, compared to the three months ended March 31, 1998:

	Increase/ (Decrease)	% Change
	(Dollars in Thousands)	
Sales.	$71,752	93%
Cost of sales.	17,281	72%
Gross profit	54,471	103%
Selling, general and administrative.	20,093	98%
Amortization of intangibles and depreciation	21,886	106%
Other operating expenses	3,399	98%
Operating expenses	45,378	102%
Operating income	9,093	112%
Other income (expense)	(2,884)	(89%)
Earnings before interest and taxes	$6,209	55%

The SEC staff is reviewing Protection One's amortization methodology used for customer accounts. The SEC staff has questioned the appropriateness of the current accounting method which Protection One believes is appropriate and consistent with industry practices and its attrition experience. A change in Protection One's present amortization method which would materially accelerate the recognition of amortization expense would have a material adverse effect on the company's results of operations. The intangible amortization represents a non-cash charge to income. Protection One anticipates resolution of this issue during the second quarter of 1999.

Other Operating Expenses

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: In December 1998, we recorded a $99 million charge to income associated with our decision to exit the international power project development business.

In December 1997, we recorded a charge totaling approximately $48 million to write-off the original merger costs associated with the KCPL transaction and Protection One recorded a charge of approximately $24 million to recognize higher than expected customer attrition and to record costs related to the acquisition of Protection One.

Other Income (Expense)

Other income (expense) includes miscellaneous income and expenses not directly related to our operations.

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998: Investments earnings increased due to more income earned on higher balances of marketable securities. This increase was partially offset by lower other income due to less COLI death proceeds received.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: Other income decreased $879 million due to the following factors:

	(Dollars in Millions)
Twelve Months Ended March 31, 1998	
Other income (expense).	$935
Twelve Months Ended March 31, 1998	
Non-recurring gain on the sale of our TYCO common stock.	(864)
Investment earnings recorded on Hanover and ADT investments.	(22)
Twelve Months Ended March 31, 1999	
Increase in earnings from the investment in ONEOK	23
Recorded investment losses	(22)
Non-recurring Protection One gains.	16
Other miscellaneous	(10)
Twelve Months Ended March 31, 1999	
Other income (expense).	$56

Interest Expense

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998: Interest expense increased 40% primarily because Protection One borrowed additional long-term debt to fund acquisitions and to acquire customer accounts. During the first quarter of 1999, Protection One added approximately 113,000 customers.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: Our long-term debt interest expense increased $56 million due to our and Protection One's issuance of new long-term debt used to reduce existing short-term debt, to fund nonregulated operations and to finance a substantial portion of Protection One's customer account growth. Lower short-term debt interest expense partially offset the higher long-term debt interest expense. Our short-term debt had a lower weighted average interest rate than the long-term debt which replaced it.

Income Taxes

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998: Income tax expense increased slightly. The effective tax rate increased from 21% to 31% primarily due to non-taxable proceeds from our corporate-owned life insurance policies received in the first quarter of 1998.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: Income tax expense decreased significantly due to the decline in taxable earnings. For twelve months ended March 31, 1999, the charge to income to exit the international power development business, significantly lowered tax expense. Tax expense for twelve months ended March 31, 1998, included taxes related to the gain on the sale of Tyco common stock.

Our effective tax rate also declined. This decline is largely attributable to non-taxable proceeds from our corporate-owned life insurance policies and the benefit of excluding 70% of ONEOK dividends received from the determination of taxable income.

LIQUIDITY AND CAPITAL RESOURCES

We had $26 million in cash and cash equivalents at March 31, 1999. We consider highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. At March 31, 1999, we had approximately $368 million of short-term debt outstanding, of which $199 million was commercial paper. An additional $821 million of short-term debt was available from committed credit arrangements. Current maturities of long-term debt were $235 million at March 31, 1999.

CASH FLOW DISCUSSION

Cash Flows from Operating Activities

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998: Cash from operations decreased significantly primarily because of receivables collected in the first quarter of 1998 as part of the settlement of our strategic alliance with ONEOK.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: Cash from operations increased significantly because of two factors. First, taxes paid of approximately $345 million on the gain on the sale of Tyco common stock reduced twelve months ended March 31, 1998, operating cash flow. Secondly, twelve months ended March 31, 1999, includes the first full year of Protection One operations.

Cash Flows Used In Investing Activities

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998: Cash used in investing activities decreased significantly primarily due to more acquisitions of monitored services companies in the first quarter of 1998.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: Cash used in investing activities increased significantly primarily due to the proceeds received in the third quarter of 1997 from the gain on sale of Tyco common stock offsetting the cash used during the twelve months ended March 31, 1998.

Cash Flows from Financing Activities

Three Months Ended March 31, 1999 Compared to Three Months Ended March 31, 1998: Cash from financing activities decreased 27% because we issued less short-term debt.

Twelve Months Ended March 31, 1999 Compared to Twelve Months Ended March 31, 1998: Cash from financing activities increased significantly primarily due to additional borrowings incurred for the acquisitions of monitored services companies.

OTHER INFORMATION

Investment in ONEOK, Inc.

In December 1998, ONEOK and Southwest Gas Corporation (Southwest Gas) agreed to a merger under which ONEOK would pay $28.50 a share in cash for each Southwest Gas share. In February 1999, Southwest Gas advised ONEOK that it had received an unsolicited offer of $32 per share of common stock from Southern Union Company (Southern Union). Also in February, Southwest Gas's board of directors authorized Southwest Gas's management to begin substantive discussions regarding Southern Union's unsolicited offer of $32 a share. On April 25, 1999, Southwest Gas accepted a revised purchase price of $30 a share from ONEOK, and terminated negotiations with Southern Union. On April 27, 1999, Southern Union announced an increased bid of $33.50 a share for Southwest Gas. On May 4, 1999, Southwest Gas rejected the revised unsolicited bid by Southern Union saying it does not believe Southern Union could finance the transaction or gain regulatory approval in a timely manner. A federal judge has issued a temporary restraining order blocking Southern Union from pursuing a takeover of Southwest Gas.

Year 2OOO Issue

We 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.

Electric Utility Operations: Overall, based on manhours as a measure of work effort, we believe we are approximately 76% complete with our readiness efforts.

The estimated progress of our departments and business units, exclusive of Protection One and Wolf Creek Nuclear Operating Corporation (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%

We estimate that total costs to update all of our 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, we have expended approximately $5.0 million of these costs, of which $3.7 million represent IT costs and $1.3 million represent non-IT costs. We 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.

Wolf Creek Nuclear Operating Corporation:

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		100%
Identification and Assessment of Other Areas		100%
Identified critical remediations complete (Note 1)	Oct 99	60%
Comprehensive testing guidelines		100%
Comprehensive testing (Note 2)	Jun 99	55%
Contingency planning guidelines		100%
Contingency planning individual plans	Jun 99	80%

Note 1 - 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 2 - 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 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.

Monitored Services Operations: Protection One estimates the total cost to update all critical operating systems for Year 2000 readiness will be approximately $5 million. As of March 31, 1999, approximately $1.8 million of these costs had been incurred.

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.

WESTERN RESOURCES, INC.
Part II Other Information

Item 1. Legal Proceedings

In April 1999, three alleged class action litigations were filed in the United States District Court for the Central District of California against Protection One, Inc. and certain of its present and former officers. In one of the actions, Western Resources, Inc. was also named as a defendant. The three actions are: "David Lyons v. Protection One., Inc., Western Resources, Inc., James M. Mackenzie, Jr., John W. Hesse, and John E. Mack, III," No. 99-CV-3755 (C.D.Cal.) (filed April 7, 1999); "Randall Karkutt v. Protection One, Inc., James M. Mackenzie, Jr., and John W. Hesse," No. 99-CV-3798 (C.D.Cal.) (filed April 8, 1999); and "David Shaev v.Protection One, Inc., John E. Mack, III, James H. Mackenzie, Jr., and John Hesse," No. 99-CV-4147 (C.D.Cal.) (filed April 20, 1999). The actions are purportedly brought on behalf of purchasers of the common stock of Protection One, Inc. during periods beginning February 10, 1998 ("Karkutt"), February 12, 1998 ("Shaev") or April 23, 1998 ("Lyons") and ending April 1, 1999. All three complaints assert claims under Sections 10(b) and 20 of the Securities Exchange Act of 1934 based on allegations that various statements made by the defendants concerning the financial results of Protection One, Inc. were false and misleading and not in compliance with generally accepted accounting principles. The complaints seek unspecified amounts of damages and an award of fees and expenses, including attorneys fees. The company and Protection One believe these actions are without merit and intend to defend against them vigorously.

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

None

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

Exhibit 12 - Computation of Ratio of Consolidated 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:

Form 8-K filed January 28, 1999 - Press release regarding annual earnings and dividend declared.

Form 8-K filed April 1, 1999 - Press release reporting Western Resources extends filing period for 10-K.

Form 8-K filed May 11, 1999 - Press release and employee update reporting Western Resources and KCPL Reach Merger Settlement with KCC staff and others.

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.

Western Resources, Inc.

Date May 17, 1999 By /s/ WILLIAM B. MOORE

William B. Moore, Executive
Vice President, Chief Financial
Officer and Treasurer

Exhibit 12

WESTERN RESOURCES, INC.
Computations of Ratio of Earnings to Fixed Charges and
Computations of Ratio of Earnings to Combined Fixed Charges
and Preferred and Preference Dividend Requirements
(Dollars in Thousands)

	Unaudited Twelve Months Ended March 31, 1999	Year Ended December 31, 1998	1997	1996	1995	1994
Net Income	$ 38,690	$ 47,756	$ 499,518	$168,950	$181,676	$187,447
Taxes on Income.	16,019	14,557	382,987	86,102	83,392	99,951
Net Income Plus Taxes. . . .	54,709	62,313	882,505	255,052	265,068	287,398
Fixed Charges:						
Interest on Long-Term Debt . .	191,049	170,855	119,972	105,741	95,962	98,483
Interest on Other Indebtedness	37,396	37,190	55,761	34,685	27,487	20,139
Interest on Other Mandatorily Redeemable Securities. . . .	18,075	18,075	18,075	12,125	372	-
Interest on Corporate-owned Life Insurance Borrowings. .	37,371	38,236	36,167	35,151	32,325	26,932
Interest Applicable to Rentals.	32,651	32,796	34,514	32,965	31,650	29,003
Total Fixed Charges. . . .	316,542	297,152	264,489	220,667	187,796	174,557
Preferred and Preference Dividend Requirements:						
Preferred and Preference Dividends.	2,643	3,591	4,919	14,839	13,419	13,418
Income Tax Required.	1,094	1,095	3,771	7,562	6,160	7,155
Total Preferred and Preference Dividend Requirements	3,737	4,686	8,690	22,401	19,579	20,573
Total Fixed Charges and Preferred and Preference Dividend Requirements.	320,279	301,838	273,179	243,068	207,375	195,130
Earnings (1)	$371,251	$359,465	$1,146,994	$475,719	$452,864	$461,955
Ratio of Earnings to Fixed Charges	1.17	1.21	4.34	2.16	2.41	2.65
Ratio of Earnings to Combined Fixed Charges and Preferred and Preference Dividend Requirements	1.16	1.19	4.20	1.96	2.18	2.37

(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. Preferred and preference dividend requirements consist of an amount equal to the pre-tax earnings which would be required to meet dividend requirements on preferred and preference stock.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET AT MARCH 31, 1999 AND THE CONSOLIDATED STATEMENT OF INCOME AND THE CONSOLIDATED STATEMENT OF CASH FLOWS 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
26272
274218
220039
31289
104146
642999
5855585
2067322
7987770
1144700
3070428
220000
24858
330768
1584524
7987770
460582
460582
147927
147927
234720
0
70800
30307
9560
20747
0
0
0
20747
0.31
0.31