



NEWS
from Public Service
Company of Oklahoma

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PSO ANNOUNCES GROUNDBREAKING INVESTMENT TO PROVIDE DRAMATIC SAVINGS FOR CUSTOMERS

Project is among the largest private investments in state history

TULSA, Okla., July 26, 2017 – Public Service Company of Oklahoma (PSO) today announced an unprecedented project that will provide significant cost savings to customers and further diversify the Company's energy supply.

The Wind Catcher Energy Connection (Wind Catcher) project includes the nation's largest wind energy facility and a dedicated generation tie-line to efficiently deliver the wind energy to PSO's customers. PSO and its sister company, Southwestern Electric Power Company (SWEPCO), will partner on the \$4.5 billion project with PSO's share of the investment totaling \$1.3 billion.

Under the proposal, PSO will own 600 megawatts (MW) of a 2,000 MW wind farm currently under construction by Invenergy LLC in the Oklahoma panhandle near Guymon. PSO will also own part of an approximately 350-mile dedicated generation tie-line, stretching from the panhandle to the Tulsa area. The tie-line will allow PSO and SWEPCO to efficiently deliver the low-cost wind energy to their customers.

The project is expected to provide net savings to PSO customers more than \$2 billion over the life of the project. These customer savings, which begin in the first year of operation, are over and above the costs of the Wind Catcher project.

The projected net savings for PSO's customers primarily result from reduced energy costs resulting from the low cost of wind energy from the project, along with associated tax benefits that PSO will pass along to its customers. There are no fuel costs associated with the wind energy and the dedicated tie line ensures delivery of the energy without incurring

congestion costs associated with existing power lines in the region. **With the addition of Wind Catcher energy, PSO customers will receive nearly 40% of their energy from wind.**

“PSO is very excited about this extraordinary opportunity to reduce costs for our customers by delivering to them high quality, very low-priced Oklahoma wind energy,” said Stuart Solomon, PSO president and chief operating officer. “At the same time, the Wind Catcher project will boost the Oklahoma economy, create thousands of new jobs, and provide tax revenues for local governments. There’s never been a project like Wind Catcher, and we’re pleased to bring it forward for the benefit of our customers and the state.”

PSO will make a filing at the Oklahoma Corporation Commission seeking Commission approval to move forward with the project. If all regulatory approvals are received, the project will be completed in late 2020, with delivery of wind energy expected to begin at that time.

PSO, a unit of American Electric Power (NYSE: AEP), is an electric utility company serving more than 545,000 customers in eastern and southwestern Oklahoma. Based in Tulsa, PSO has approximately 3,800 megawatts of generating capacity, and is a significant provider of wind energy in the state. News releases and other information about PSO can be found on the World Wide Web at PSOklahoma.com.