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### **PSO Wind Contracts Win Approval**

TULSA, Okla., February 4, 2014 – The Oklahoma Corporation Commission (OCC) today approved cost recovery for three wind power contracts that will allow customers of Public Service Company of Oklahoma (PSO) to benefit from historically low wind energy prices for years to come.

On October 10, 2013, PSO announced the signing of new wind power agreements totaling nearly 600 megawatts (MW), which is enough to power more than 120,000 homes. Last month, an OCC administrative law judge recommended approval of PSO's requested cost recovery to the full three-member Commission.

Today's action by the OCC allows the cost recovery associated with the new wind energy. Estimates show the agreements will reduce customer costs by \$53 million in the first year, with annual savings growing over the 20-year length of the contracts.

"These contracts were based on extraordinary pricing opportunities that will provide substantial savings for our customers," said Stuart Solomon, PSO president and chief operating officer. "Another benefit is the diversity that an additional 600 megawatts of Oklahoma wind energy will bring to our fuel mix."

PSO issued a Request for Proposals in June 2013 seeking up to 200 MW of new wind energy resources. The decision to contract for an additional 400 MW was based on prices for wind energy, which were at all-time lows.

When deliveries of energy from the three new wind contracts commence in 2016, PSO's total wind under contract will be 1,137 MW. The energy in the new contracts will come from wind farms under development near Seiling, Balko and Goodwell, which are located in the northwest and the panhandle areas of the state.

PSO, a unit of American Electric Power (NYSE: AEP), is an electric utility company serving approximately 540,000 customers in eastern and southwestern Oklahoma. Based in Tulsa, PSO has 4,269 megawatts of generating capacity, and is one of the largest distributors of wind energy in the state. News releases and other information about PSO can be found on the World Wide Web at [PSOklahoma.com](http://PSOklahoma.com).

American Electric Power is one of the largest electric utilities in the United States, delivering electricity to more than 5 million customers in 11 states. AEP ranks among the nation's

largest generators of electricity, owning nearly 38,000 megawatts of generating capacity in the U.S. AEP also owns the nation's largest electricity transmission system, a nearly 39,000-mile network that includes more 765 kilovolt extra-high voltage transmission lines than all other U.S. transmission systems combined. AEP's transmission system directly or indirectly serves about 10 percent of the electricity demand in the Eastern Interconnection, the interconnected transmission system that covers 38 eastern and central U.S. states and eastern Canada, and approximately 11 percent of the electricity demand in ERCOT, the transmission system that covers much of Texas. AEP's utility units operate as AEP Ohio, AEP Texas, Appalachian Power (in Virginia and West Virginia), AEP Appalachian Power (in Tennessee), Indiana Michigan Power, Kentucky Power, Public Service Company of Oklahoma, and Southwestern Electric Power Company (in Arkansas, Louisiana and east Texas). AEP's headquarters are in Columbus, Ohio.