

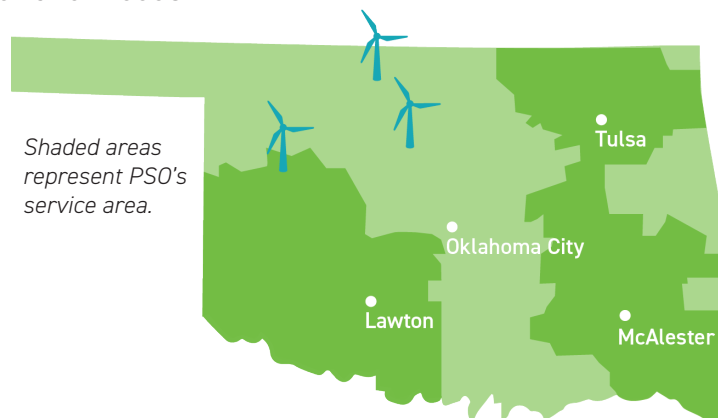


POWER FOR THE NEXT GENERATION NORTH CENTRAL ENERGY FACILITIES

Public Service Company of Oklahoma is an electric utility company serving more than half a million customer accounts across Oklahoma. For over 100 years, PSO has been committed to delivering affordable, reliable energy and making a positive difference in communities.

Natural gas is abundant and wind is our largest renewable resource. PSO recognizes that together, Oklahoma natural gas and wind energy generation balance the need for flexible, clean and affordable electric energy.

PSO is proposing to acquire a share of three wind facilities that will generate 1,485 megawatts of wind energy. The facilities will be located in seven Oklahoma counties: Alfalfa, Blaine, Custer, Garfield, Kingfisher, Major and Woods.



OKLAHOMA BENEFITS



STATE REVENUE

Approximately \$2 billion will be invested in Oklahoma's economy. Increased revenues will be produced for schools and infrastructure across the state.



NEW JOBS

New jobs will be created in construction, operations and maintenance.



CLEAN ENERGY FOR THE FUTURE

Oklahoma wind will power more of the energy needed for homes and businesses. Affordable and renewable energy attracts new investment to our state while giving customers clean, reliable energy.

LEARN MORE AT
PSOKLAHOMA.COM/CLEANENERGY

OKLAHOMA'S POWER TEAM: WIND AND NATURAL GAS

Providing clean, reliable and affordable energy is part of PSO's commitment to power the next generation. We'll continue to increase reliance on natural gas and renewable energy, including wind. When wind and natural gas work together, all of Oklahoma benefits from a well-balanced energy mix that delivers some of the lowest rates in the nation.

NORTH CENTRAL ENERGY FACILITIES ECONOMIC IMPACT STUDY

Oklahoma State University Department of Agricultural Economics estimated the economic impacts of the proposed Sundance, Maverick and Traverse wind farms. This independent, third-party economic study reached the following conclusions regarding the benefits of the North Central Wind Facilities.



PSO'S INVESTMENTS TO SERVE CUSTOMERS RESULT IN DIRECT ECONOMIC BENEFIT TO COMMUNITIES.



CONSTRUCTION

\$2 BILLION | 14,000 JOBS

- An estimated \$300 million county-level impact.
- An estimated \$2 billion state-level impact.
- Potential to create an estimated 3,800 jobs in the counties where projects are constructed and 14,000 state-wide jobs from the direct impacts of construction of the project and the spending associated with project employees combined with other industry spending.



LEASE PAYMENTS

\$5 MILLION | 41 JOBS

For the first five years after project implementation:

- Household spending from landowner income will generate an estimated \$1.3 million in labor income, \$2.6 million in value added and nearly \$5 million of output generated at the state level.
- This spending will create an average of approximately 41 jobs.



OPERATION & MAINTENANCE

\$85.4 MILLION | 288 JOBS

On average, over the first five years of routine operation and maintenance expenditures of these three wind projects:

- \$16.5 million will be generated in labor income, \$25.75 million value added and \$43.2 million of output generated annually.
- Roughly 288 jobs are estimated to be created overall from industrial linkages and associated household spending.



AD VALOREM TAXES

\$680 MILLION

- The combined Sundance, Maverick, and Traverse wind energy projects are projected to pay a cumulative total of approximately \$680 million (nominal dollars) in ad valorem taxes over their 30-year operational life.
- Over \$450 million of the forecasted ad valorem taxes paid would go directly to local school districts, nearly \$34 million would go to county schools via the 4-mill fund allocation process and over \$58 million would go to CareerTech districts.
- Over \$135 million of the ad valorem taxes paid would go to county funds for general county services, county health departments, libraries and other county activities.

AD VALOREM TAX

WHAT IS IT?

Commonly referred to as "property taxes," PSO pays ad valorem taxes based on the overall value of its assets. This process is outlined in the Oklahoma Constitution.

HOW DOES IT WORK?

1. Ad valorem taxes are distributed to the counties where PSO's assets are located.
2. This tax revenue helps fund schools and local government in those counties.
3. On average, 65-70% of every dollar is directed toward public K-12 and CareerTech education in the communities where PSO owns property.
4. Remaining funds are distributed to the county where the property is located.

DID YOU KNOW?

PSO is one of the largest property taxpayers in Oklahoma, paying nearly \$40 million in 2018.