

A SUBSIDIARY OF AMERICAN ELECTRIC POWER (AEP)

Southwestern Electric Power Company

SWEPCO has launched a multi-year effort to modernize electric infrastructure and strengthen reliability across East Texas and the Panhandle without adding costs to customers.

SWEPCO is making a significant investment in reliability for its nearly 193,000 Texas customers through 2031. To support this effort, the company has secured a \$200 million grant from the Texas Energy Fund (TxEF) to help fund a nearly \$250 million project that will replace approximately 700 miles of copper wire and utility poles. The grant will cover the majority of the project costs, ensuring that customers will not bear the cost of the \$200 million funded through the Texas Energy Fund.

A typical project will not only replace the copper conductors with new aluminum conductors, but it will address all the equipment and components that make up a specific section of line.

The projects will be coordinated with approximately 3,000 miles of vegetation management work already planned under a separate resiliency strategy. Together, these efforts will modernize some of the oldest portions of the distribution system, rebuilding them to a more resilient, storm-hardened design within fully cleared rights-of-way.

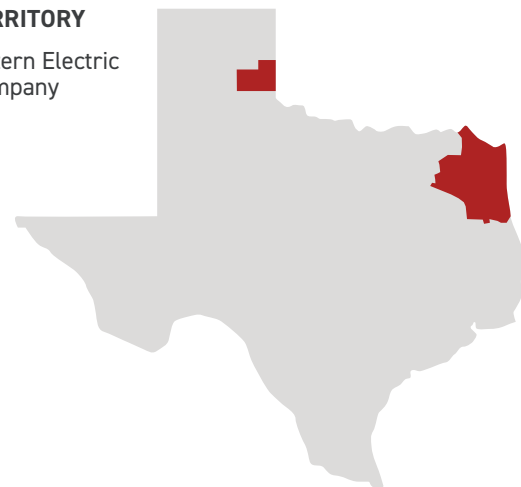
Importantly, the investment will not increase rates for Texas customers, underscoring SWEPCO's commitment to delivering safe, reliable and affordable power.

KEY FACTS

- Projects will be executed over five years through 2031.
- The replacement of these small copper wire systems mitigates wildfire ignition by mitigating risk of broken energized conductors falling to the ground.
- The total portfolio includes approximately 693 miles of rebuild, with **13% located in the Texarkana area**.
- In the **Texarkana area**, 153 small wire copper rehabilitation projects are part of the Texas Energy Fund grant, covering 88.2 miles at an estimated cost of \$30 million.

SERVICE TERRITORY

- Southwestern Electric Power Company



BY REGION	PROJECTS	MILES	COST
Longview	790	532.9	\$195,123,769
North Texas Panhandle	42	71.6	\$23,192,329
Texarkana	153	88.2	\$30,315,885
TOTAL	985	692.7	\$248,631,983



BY SUBSTATION	PROJECTS	MILES	COST
39th Street	2	0.58	\$228,003.68
Atlanta	16	8.94	\$2,332,608.14
Bloomburg	5	4.30	\$1,701,946.65
Cookville	2	1.75	\$415,185.30
Daingerfield	1	0.29	\$70,027.74
Dekalb	12	11.08	\$4,052,231.66
Hooks	1	0.87	\$345,696.23
Hughes Springs	2	1.15	\$453,651.90
Kings Hwy	7	9.27	\$2,203,351.11
Linden	6	2.74	\$1,049,154.60
Mt Pleasant	4	1.69	\$668,951.85
Mt Vernon	4	3.41	\$1,159,256.34
Naples	11	7.13	\$2,724,545.79
Nash	1	0.17	\$41,237.06
New Boston	12	7.92	\$2,981,698.65
Pittsburg	11	8.92	\$3,178,097.87
Pleasant Hill	2	0.79	\$311,739.23
Red River Depot	6	3.18	\$1,259,973.08
Richmond Road	6	1.56	\$607,203.33
Taylor Street	26	5.58	\$2,058,797.15
Texarkana Operations	6	1.22	\$325,999.01
Texarkana Plant	3	0.46	\$109,033.74
Winfield	1	0.31	\$73,941.71
Winnsboro	6	4.96	\$1,963,553.40
TOTAL	153	88.26	\$30,315,885.17

The table above shows number and estimated cost of projects in specific areas of Texarkana. The names of the substations are towns.