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March 3, 2016

## Xcel Energy boosts eastern Panhandle power grid

New Bowers-Howard transmission project to improve electric reliability and capacity

AMARILLO, Texas – Xcel Energy has completed a major high-voltage transmission project in Gray and Wheeler counties in the eastern Texas Panhandle that will help sustain industrial development and position the regional economy for continued growth as electricity demand increases.

On Wednesday the company energized a new 115-kilovolt, 38-mile transmission line between the Bowers Substation near Lefors in Gray County and the Howard Substation in the city of Wheeler in Wheeler County. The \$39 million project also includes significant upgrades at both the Bowers and Howard substations to accommodate the new line.

"The demands on the transmission network have grown over the past decade with increased oil and gas drilling and the ensuing growth in industries that add value to these raw materials," said Donnie TeBeest, Xcel Energy project manager. "Without the new line, it would have been a challenge to regulate the flow of power in that area while meeting the growing needs for electricity."

The new line was envisioned six years ago when the Southwest Power Pool identified possible bottlenecks and voltage issues in the eastern Panhandle, which had not seen significant upgrades in power infrastructure in decades. Xcel Energy took on the project as part of its Power for the Plains transmission enhancement initiative, and started planning the project in 2012.

"The Bowers-to-Howard project is one of dozens of high-value improvements we have completed in recent years," said David Hudson, president of Southwestern Public Service Company, an Xcel Energy company. "We're pleased to be partners with regional industries as we make a lasting contribution to job opportunities and economic development for decades to come," he said.

Since July 2014, Xcel Energy has invested \$1 billion in new power lines, substations and upgraded power generating facilities across its Texas-New Mexico service area. Through 2020, that number is expected to exceed \$3 billion in improvements.

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The Power for the Plains initiative is not only improving the reliability and capacity of the region's high-voltage transmission network, but also is providing opportunities to tap cheaper sources of power. New transmission connections to the east are saving close to \$60 million annually in purchased power costs. Additionally, the improvements are providing pathways to move wind and solar power generated in this region to new markets. Xcel Energy has added 750 megawatts of additional wind energy capacity to its regional energy mix since 2015, and plans to add another 140 megawatts of solar energy capacity by the end of 2016.

More information on the Bowers-Howard project and other transmission improvements can be found at <u>www.powerfortheplains.com</u>, where Xcel Energy provides details on its major Texas and New Mexico capital investment projects.

Xcel Energy (NYSE: XEL) provides the energy that powers millions of homes and businesses across eight Western and Midwestern states. Headquartered in Minneapolis, the company is an industry leader in responsibly reducing carbon emissions and producing and delivering clean energy solutions from a variety of renewable sources at competitive prices. For more information, visit <u>www.xcelenergy.com</u> or follow us on <u>Twitter</u> and <u>Facebook</u>.

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