News Release
For immediate release: February 17, 2006

Redbud Energy Plans Upgrade at OG&E’s Arcadia Substation

Luther, Oklahoma – Redbud Energy, Southwest Power Pool, Inc. (SPP) and OG&E Electric Services (OG&E) have agreed on a multi-million dollar plan for a capacity upgrade to OG&E’s electrical transmission substation at Arcadia. Redbud Energy will fund the cost of the upgrade, and OG&E has fast-tracked the construction with the intention of completing the project before the upcoming summer months when peak usage of the electric system occurs.

The Arcadia substation is part of OG&E’s high-voltage electrical transmission loop around Oklahoma City. The almost 15-percent capacity upgrade at the substation will allow Redbud Energy, the independent power plant near Luther, to sell more power within the SPP region. SPP is the regional transmission organization coordinating electrical power transmission services for a seven-state area including Oklahoma.

“This $2.3 million upgrade is being funded by Redbud Energy and constructed by OG&E to reduce existing constraints on moving power across Oklahoma. It will also give Oklahomans greater access to supplies of power from our plant, which is one of the most economic and environmentally-friendly natural gas-fired power plants in the state,” said Mark Kadon, plant manager of the Redbud facility.

“This is the first transmission upgrade request proposed and agreed to through SPP’s new regional transmission funding and construction process as proposed last year,” said Jay Caspary, director of engineering for SPP. “SPP is pleased that Redbud and OG&E have worked together to accomplish
Redbud Energy Plans Upgrade – ADD ONE

this first upgrade paving the way for other parties in the region to build new facilities or to upgrade existing transmission facilities in a similar fashion.”

Mel Perkins, vice president of transmission at OG&E, said the company is pleased to participate in the project. “This is a good example of how we can work together to increase transmission capacity in our region to the benefit of customers.”

Redbud Energy

Redbud Energy is a 1,200 megawatt, combined cycle, natural gas turbine power plant located near Luther, Oklahoma. The Redbud facility is an independent power producer and a participating member in the Southwest Power Pool.

OG&E

OG&E, a subsidiary of OGE Energy Corp. (NYSE: OGE), provides electricity to approximately 740,000 customers in a service territory spanning 30,000 square miles in Oklahoma and western Arkansas. OGE Energy also is the parent company of Enogex Inc., a natural gas pipeline company with principal operations in Oklahoma.

Southwest Power Pool (SPP)

Southwest Power Pool, Inc. is a group of 46 members serving more than four million customers in all or parts of eight southwestern states of the Eastern Interconnection. This membership is comprised of investor-owned utilities, municipal systems, generation and transmission cooperatives, state authorities, wholesale generators, and power marketers. SPP has served as a regional reliability council of the North American Electric Reliability Council (NERC) since NERC’s founding in 1968, and was designated a regional transmission organization (RTO) by the Federal Energy Regulatory Commission (FERC) in October 2004.

Since 1997, SPP has provided independent security coordination and tariff administration, pursuant to a FERC-approved tariff, across its service area with over 33,000 miles of transmission lines and a gross plant investment approaching $4 billion.

# # #