

NEW BETHEL 345 kV TRANSMISSION LINE PROJECT PUBLIC PARTICIPATION MEETINGS

February 18, 2014

FAIRFIELD HIGH SCHOOL
Fairfield High School Cafeteria
631 Post Oak

4:00 - 8:00 PM

February 20, 2014

CROSS ROADS
Cross Roads High School Auditorium
14434 FM 59

4:00 - 8:00 PM

Welcome and thank you for taking the time to attend this Public Participation Meeting for the proposed New Bethel 345 kV Transmission Line Project (Proposed Transmission Line Project). For Oncor Electric Delivery Company (Oncor) to continue to provide safe and reliable electric service in this area, a new transmission line must be constructed. The new transmission line will be constructed to connect the proposed New Bethel Switching Station located southeast of the FM 2706 and CR 2504 intersection in Anderson County to a yet to be determined location along one of four existing transmission lines in the region. The Proposed Transmission Line Project is currently planned for completion in 2016.

The purpose of this Public Participation Meeting is to present information, receive your ideas and comments, and answer your questions about the Proposed Transmission Line Project. The Questions and Answers below provide general information about the project.

You will notice that there are several subject matter stations with associated exhibits around the room. Oncor representatives, as well as representatives from firms contracted by Oncor, Halff Associates (Halff), and ML&M Realty Advisors (ML&M), are located at each station and can provide answers to specific questions about the Proposed Transmission Line Project. We encourage you to take advantage of this opportunity to talk with the various representatives of Oncor, our routing and environmental consultant, Halff, and our property ownership abstractor, ML&M. Oncor and contractor representatives can provide information concerning particular areas of expertise as they relate to the proposed

project. The stations are arranged in a particular order that will, if visited in order, give a better understanding of the Proposed Transmission Line Project and the routing process. Please spend as much time as you need at each station to have your questions answered or address any issues you may have. Since this is an informal public participation “come and go” type meeting, there may be times when one particular exhibit is crowded. Please bear with us and we will make every attempt to answer any questions you may have in as timely a manner as possible.

Who is Oncor Electric Delivery Company LLC?

Oncor Electric Delivery Company LLC is an electric utility regulated by the Public Utility Commission of Texas (PUCT). Oncor constructs, owns, and operates the conductors or “wires” that move electric power between points on the electric transmission and distribution system, connecting electric power producers and sellers with electric power consumers. Oncor does not own power plants or buy or sell electric power. TXU Energy and Luminant are not the same company as Oncor.

What does the transmission system do?

The state’s electric system is a network of power generation plants, transmission lines, switching stations and substations, and distribution lines designed to provide reliable electric service to retail customers. Transmission lines carry, or “transport”, electricity from power generation plants at a high voltage to substations where the electricity is converted to a lower voltage that distribution lines carry, or “transport”, to residences and businesses.

For Oncor to provide reliable electric service, it must work with other utilities and state organizations to ensure that the electric transmission network is designed so that the temporary loss of a power generation plant, a substation, or a transmission line will not result in a major electric outage. For example, without appropriate planning and subsequent system improvements, damage to a single transmission line due to such incidents as tornadoes, lightning, ice storms or equipment failure could result in significant disruptions to the delivery of electricity.

Why must a new transmission line be constructed in this area?

Apex Bethel Energy Center is constructing a new 324 MW Compressed Air Energy Storage facility in Anderson County, Texas. The attributes of this technology allow the facility to generate electricity during high electric demand, thus using the facility as a generator; however, at other times, the facility is used to compress air, in underground storage caverns, which would then be used to later generate electricity. Because the generation facility must be located near the existing underground cavern, a new transmission line is necessary to connect the new generation facility to the transmission grid. The construction of a new transmission line from the plant to either of the the existing 345 kV transmission lines under consideration will provide adequate capacity to transport the proposed generation to the transmission grid.

What is the approximate location of the Proposed Transmission Line Project?

The locations of the preliminary alternative route links being considered for the proposed transmission line project are shown on the attached map (Exhibit 1).

How long will the transmission line be?

If approved by the PUCT, the proposed transmission line project will be approximately 15-40 miles long depending upon the route that is ultimately approved, or “certificated” by the PUCT.

What type of transmission line structures will be used?

Oncor continually evaluates different structure types to satisfy particular project requirements such as transmission line voltage, double- or single-circuit needs, cost, physical location, and characteristics of the surrounding land to name a few. For the Proposed Transmission Line Project, Oncor has chosen a self-supporting, double-circuit 345 kV lattice steel V-tower design as the typical structure for the project. A drawing of Oncor’s standard double-circuit 345 kV lattice tower structure is attached (Exhibit 2).

Who will benefit from the Proposed Transmission Line Project?

The completion of this transmission line project will provide benefits to all participants in the Texas electric market, including end-use consumers of electricity in the Anderson, Freestone, Henderson, and Navarro County areas. The proposed enhancements will improve the electric system to continue the reliable electric service consumers have come to expect from Oncor as well as add important necessary transmission capacity to support development and economic growth in the State of Texas.

Will environmental studies be conducted to determine the impact of the Proposed Transmission Line Project?

Yes. Halff, an environmental consulting and engineering firm in Austin and Dallas with environmental expertise, is preparing an Environmental Assessment and Alternative Route Analysis to support an Application for a Certificate of Convenience and Necessity (CCN) at the PUCT. The Environmental Assessment and Alternative Route Analysis will include a compilation of the impacts of the alternative transmission line routes to the existing environment and land uses.

How will property owners or other interested persons find out the results of the certification process?

There are several ways members of the public may: (1) be made aware of Oncor's filing of its CCN application at the PUCT; (2) participate or provide comment in the certification process; (3) monitor the proceeding as it progresses; and (4) determine the results of the PUCT's action regarding Oncor's Proposed Transmission Line Project.

First, a formal notice will be provided (via first class mail) to any property owner whose land will be crossed by any alternative route for the Proposed Transmission Line Project filed by Oncor as part of the formal application for approval to construct the project. In addition, a formal notice will also be provided (via first class mail) to any property owner who has a habitable structure within 500 feet of the centerline of any of the proposed alternative routes. Property ownership for this notice is determined by research of the appropriate County Tax Appraisal District records.

Second, public notice will be provided, in newspapers of general circulation within the appropriate county, in the week following the filing of Oncor's application at the PUCT.

Information about Oncor's application, and its proceeding at the PUCT, can be obtained on the PUCT's online filings interchange. The PUCT website provides free access to documents that are officially filed with the Commission in Central Records. The docket number (also called a control number on the PUCT website) of a case is a key piece of information used in locating documents in the case. You may access the Interchange by visiting the PUCT's website home page at www.puc.state.tx.us.

One way to become involved in a case before the Commission is as an "intervenor." An intervenor is a person who, upon showing a justifiable interest, is permitted to become a party to the proceeding. Intervenors are full participants in the proceeding and can make legal arguments, conduct discovery, file testimony, cross-examine witnesses, and are themselves, if they testify, subject to cross-examination by the other parties in the case. For more information and rules about participating as an intervenor, visit the PUCT's website at

<http://www.puc.texas.gov/agency/rulesnlaws/Participate.aspx>

If you do not wish to be a full participant in this proceeding, you may become a "protestor." Protestors are not parties to the case and may not conduct discovery, cross-examine witnesses or present a direct case. Protestors may, however, make a written or verbal statement for the record in support of or in opposition to the application and give information to the PUCT staff that they believe may be helpful. If you intend to be a protestor, you can either send written comments stating your position regarding the application, or if the docket progresses to a hearing, a statement of protest can be made on the first day of hearing, as allowed. Although public comments are not sworn and therefore not treated as evidence, they help

inform the PUCT and its staff of the public concerns and to identify issues to be explored. The PUCT welcomes such participation in its proceedings.

Finally, when a route for the Proposed Transmission Line Project is approved by the PUCT, a notice (via first class mail) will be sent to the property owners who were originally provided formal notice of the filing of Oncor's application at the PUCT indicating the issuance of a Final Order by the PUCT and that their property is either affected by the approved routing, or that their property is no longer subject to a proceeding at the PUCT.

When will construction of the Proposed Transmission Line Project begin?

Before construction can begin, Oncor must seek and receive approval from the PUCT to construct the proposed transmission line project. This process, along with typical time frames for each step of the process, is described in the attached **Licensing Process for New Transmission Line Facilities**. Based on Oncor's projected in-service date of Fall 2016, Oncor anticipates that construction would begin as early as Summer 2015.

If I have additional questions following this meeting, who should I contact?

Additional information concerning this and other Oncor transmission line projects can be obtained at the following website:

<http://www.oncor.com/transmissionprojects>

You may also contact Mr. Jeremy McConnell at 214-486-7336, or email at transmissionprojects@oncor.com.

Thank you again for attending this Public Participation Meeting!

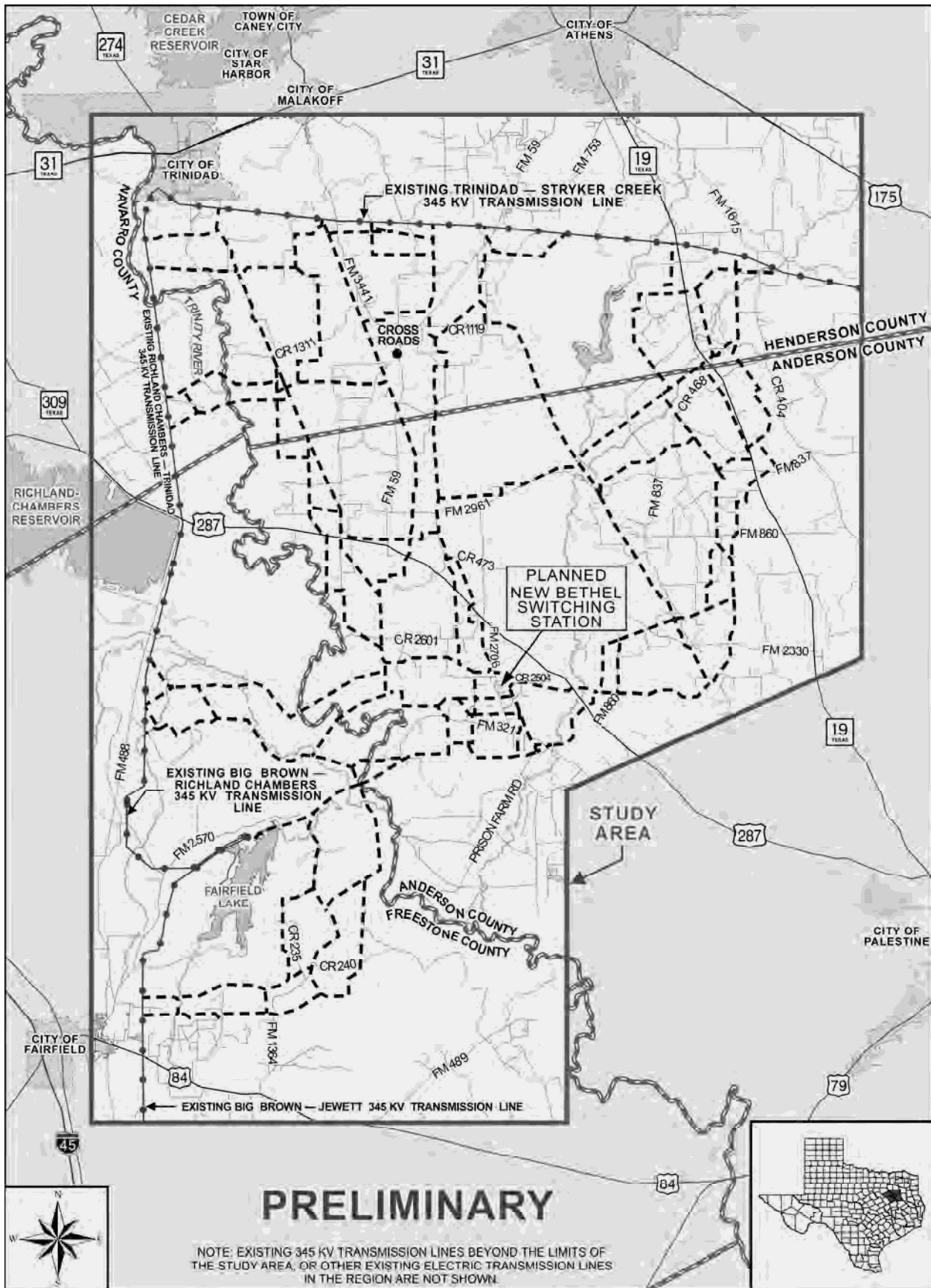
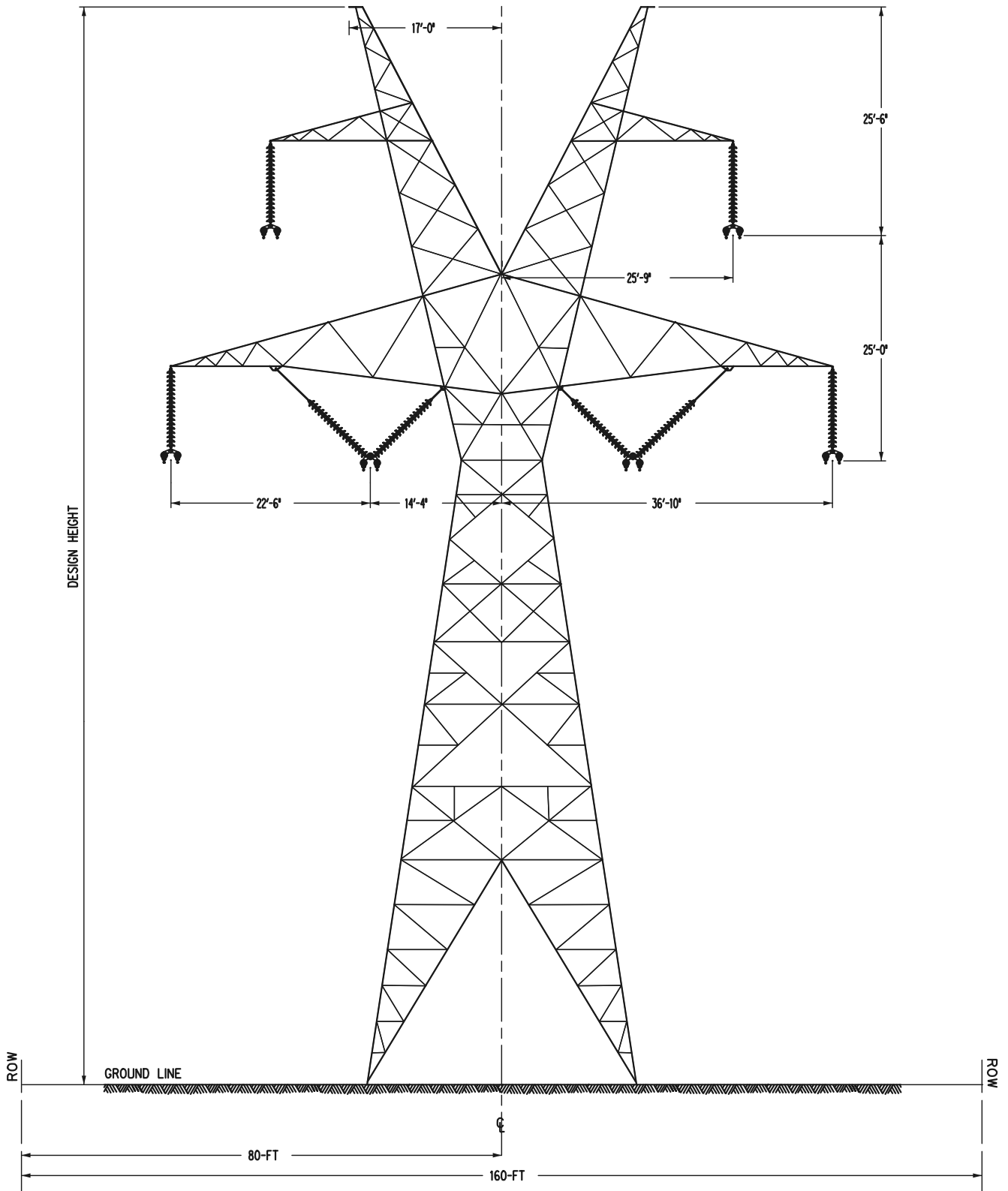


EXHIBIT 1

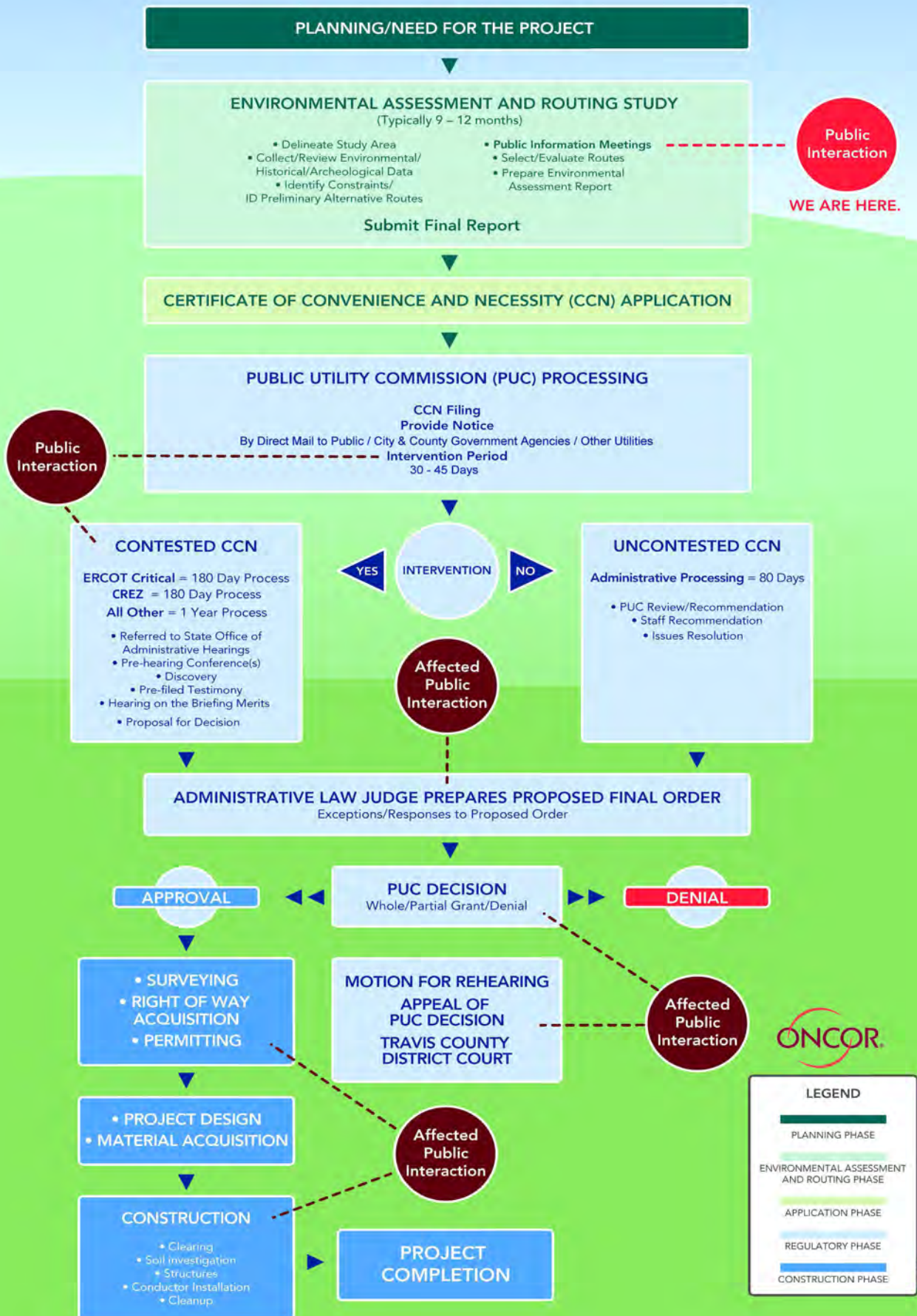


TYPICAL TANGENT
 DOUBLE-CIRCUIT 345 kV
 LATTICE STEEL V-TOWER

EXHIBIT 2



Licensing Process for New Transmission Facilities



Licensing Process for New Transmission Facilities

Texas Utilities Code

The governance of the licensing process for new transmission facilities is included within the Texas Utilities Code, Title II – Public Utilities Regulatory Act, Section 37.056.

Sec 37.056 GRANT OR DENIAL OF CERTIFICATE

- (a) The commission may approve applications and grant a certificate only if the commission finds that the certificate is necessary for the service, accommodation, convenience, or safety of the public.
- (b) The commission may:
 - (1) issue the certificate as requested;
 - (2) grant the certificate for the construction of a portion of the requested system, facility, or extension or the partial exercise of the requested right or privilege; or
 - (3) refuse to grant the certificate.
- (c) The commission shall grant each certificate on a nondiscriminatory basis after considering:
 - (1) the adequacy of existing service;
 - (2) the need for additional service;
 - (3) the effect of granting the certificate on the recipient of the certificate and on any electric utility serving the proximate area; and
 - (4) other factors, such as:
 - (A) community values;
 - (B) recreational and park areas;
 - (C) historical and aesthetic values;
 - (D) environmental integrity; and
 - (E) the probable improvement of service or lowering of cost to consumers in the area if the certificate is granted.

If you have additional questions or would like additional information, you may contact the Public Utility Commission of Texas at P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120, or (888) 782-8477. Hearing impaired and speech-impaired individuals with text telephones may contact the commission at (512) 936-7136.