

September 25, 2013

Valued CPS Energy Customer:

CPS Energy would like to invite you to attend an open house to learn about an upcoming project that will improve the electric service reliability in your area. The Bulverde Substation project consists of building a new substation, transmission line and associated distribution lines north of San Antonio near US 281 and FM 1863. The new substation will require approximately 5 acres of property and a transmission line that will connect to the existing Stonegate-Green Mountain Transmission Line. We propose to start construction in mid 2016.

At the open house we will inform customers of our plans for the substation. We welcome your questions, comments and concerns regarding this project. CPS Energy team members directly involved with this project will be present to answer your questions. This event will have an informal "come and go" type format consisting of information stations addressing specific areas of the project. Attendees are encouraged to review each station at their own pace and ask questions.

CPS Energy Open House Bulverde Substation Project 5:30pm-7:30pm October 15, 2013 St. Paul Lutheran Church 29797 US 281, Bulverde, Texas 78163

Included in this packet is a brochure describing the project and a map showing the location of potential sites for both the substation and routes for the transmission line. Additional information is also available at www.cpsenergy.com search: Bulverde.

I look forward to meeting you and answering your questions. Thank you in advance for taking the time to join us and provide us with your feedback.

Sincerely,

Cathleen Ballard

Project Manager