



February 20, 2014

Dear Property Owners and Interested CPS Energy Customers:

As you may know, CPS Energy plans to construct a new substation and high-voltage transmission line, commonly referred to as the Bulverde Substation and Transmission Project, in the northern portion of the CPS Energy service area. The substation and associated transmission line are needed to keep pace with rapid customer growth in the area and to improve service reliability to existing customers.

The siting and routing of the substation and transmission line has been handled through CPS Energy's Facility General Routing and Siting Process, which included an open house, a detailed environmental assessment and many conversations with interested customers. The project team presented a recommended site/route (please see enclosed map) to the CPS Energy Board of Trustees at its regularly scheduled Board meeting on January 27, 2014. The Board will consider the proposed site and route at their meeting on Monday, March 31, 2014.

Prior to making a final determination, the CPS Energy Board of Trustees will host a public input meeting on the evening of Thursday, March 20, 2014, to hear customer comments and suggestions about the proposed substation and transmission line location.

Here are the details:

**St. Paul Lutheran Church
29797 US Hwy 281 N
Bulverde, Texas 78260**

AGENDA:

5:30 to 6:00 p.m. ----- Registration
Displays and Informal Discussion
with CPS Energy Staff
6:00 to 8:00 p.m. ----- Public Input Meeting

Customers who wish to speak should fill out a registration card between 5:30 and 6:00 p.m. Customers will have the opportunity to submit written comments during the registration period. This meeting is free and open to the public.

Thank you for your valuable input to this process. Additional information is added periodically to the project web site, accessible through cpsenergy.com. Should you have additional questions, or if you need any special on-site accommodations to attend this meeting, please contact me.

Sincerely,

Cathleen Ballard

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