



December 6, 2012

Dear Resident:

As you may know, CPS Energy has been developing plans to build a new electric substation (Ranchtown Substation) northwest of San Antonio and Helotes along State Hwy 16 in Bexar County. The new substation will be connected to the existing Helotes-Menger 138-kilovolt (kV) transmission line. The new substation will require approximately 5 acres of property and will require the addition of a short span of transmission line to tie into our existing transmission line. We propose to start construction in fall of 2013.

The site selection of this substation has been handled through the CPS Energy Routing and Siting Process, which included an open house, a public input meeting, a detailed environmental assessment, and conversations with land owners and interested parties. The project team recommended Site 10 to the CPS Energy Board of Trustees at their October 29, 2012 board meeting and the CPS Energy Board of Trustees approved the recommended site at its meeting held December 3, 2012.

A map of the approved site for the new substation is included with this letter and will be posted on the CPS Energy Web site (cpsenergy.com). In addition to the map, the project team developed several white papers to clarify questions presented during the public input meeting. These white papers were provided to the CPS Energy Board of Trustees prior to approval of the site. The white papers are included with this letter and are posted to the website as well.

Should you have any additional questions please feel free to give me a call.

Thank you for your valuable input to this process.

Sincerely,

Bruce Raney PMP, MBA
Project Manager
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