



February 2, 2016

Dear Interested Stakeholder:

The purpose of my letter today is to provide you an update on the public conversations and activities surrounding the proposed Leander to Round Rock 138-kV transmission line project in southwestern Williamson County.

For more than two years, LCRA Transmission Services Corporation (TSC) has been analyzing data and gathering valuable input from the local communities and elected officials that may be affected by this transmission line. This electric infrastructure project is of vital importance to maintain the vibrant economic growth and high quality of life that has driven this area of Texas to be among the most desirable and rapidly growing regions in the United States.

LCRA TSC continues to move forward with developing the application, including alternative routes and supporting information, for this project to submit to the Public Utility Commission of Texas (PUC) in the coming months. I want to assure members of the public that LCRA TSC fully understands the concerns about potential environmental, aesthetic and recreational impacts to the Brushy Creek Regional Trail System that have been expressed by many individuals who make their homes in this area. LCRA TSC is very cognizant of the criteria by which the PUC evaluates potential routes and we intend to give thorough consideration to the expression of community values regarding the Brushy Creek Trail.

LCRA staff held two open house meetings in October and has attended a host of follow up meetings where we continued gathering input from homeowners associations, elected officials and potentially affected landowners. There appears to be a broad understanding of the need for the project. Also, most of the people we've discussed the project with have come away with a good understanding of the respective roles that LCRA TSC, potential impacted parties and the PUC will play in this process. I believe we can all agree that routing such a project through a rapidly growing area will be complex.

One of our most important jobs in this process will be to provide a large number of diverse routing options for the PUC's consideration. Our responsibility is to ensure that the PUC commissioners have an abundance of accurate information on which to base their decision. To this end, LCRA TSC remains fully committed to ensuring that the public input and expressions of community values that we are hearing are reflected in the application that we file at the PUC. The PUC Commissioners have the authority to

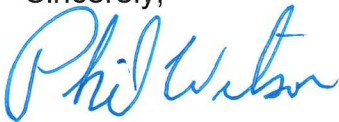
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select or amend one of the routes we provide in our application, or they may choose to devise their own route for final approval. LCRA TSC will build the transmission line in strict accordance with the PUC's order.

As this process moves forward, I encourage all interested parties to remain engaged. I am confident that the PUC's process will yield the best possible result to keep Williamson County's electric power delivery system reliable and cost effective while remaining sensitive to community values and environmental integrity.

Please visit the project website at LCRA.org/lrr for more information on the Leander to Round Rock project, including a recently revised *Frequently Asked Questions* document.

Sincerely,



Phil Wilson
General Manager