July 20, 2015

Re: Revised Study Area Map for the Proposed Zorn to Marion 345-kV Transmission Line Project in Guadalupe County, Texas

Dear «Formal»:

Please refer to the letter dated May 22, 2015, requesting information from your office regarding potential constraints related to the Zorn to Marion Transmission Line Project. Since that time LCRA TSC has expanded the study area to include approximately six (6) additional square miles east of State Highway 46. A revised project study area map is enclosed.

LCRA Transmission Services Corporation (LCRA TSC) proposes to add electric transmission infrastructure needed to serve northern Bexar County and the Interstate 35 corridor between San Antonio and Austin. The population growth in the areas that significantly increased demand for electricity is expected to continue. An initial step in the routing process is to solicit input about the study area from local elected officials and public agencies. Please review the study area on the enclosed map and provide us with information that may help identify the potential future location of transmission infrastructure.

Project Description
LCRA TSC is proposing to build and operate a new, approximately 21-mile, 345-kiloVolt (kV) transmission line to connect the Zorn and Marion substations in Guadalupe County. Some portion of the line will use existing structures between the Zorn and Clear Springs substations and the remainder of the line will require new construction on new right of way.

Your Input in the Regulatory Process
The Public Utility Commission (PUC) regulates transmission line routing in Texas. As part of that process, transmission companies routinely solicit input from local elected officials and agency officials who may know of potential constraints in the study area. LCRA TSC requests your office provide any information that could be helpful as we develop and evaluate potential transmission line routes in the study area.

Specifically, we ask you to consider any constraints that involve:
- Environmental and land use.
- Current or proposed land development projects.
- Construction projects.
- Other areas of interest to you.

Additionally, we would appreciate receiving information about any of the following:
- Permit requirements within your jurisdiction.
- Existing easements within the study area.
- Other required approvals by your agency/office.
Next Steps in the Regulatory Process

Powers Engineers is the LCRA TSC consultant for this project. They are preparing an Environmental Assessment (EA) and Alternative Route Analysis for LCRA TSC’s application to amend its existing Certificate of Convenience and Necessity from the PUC. As part of the EA, Power Engineers will submit a map to the PUC that illustrates environmental and land use constraints and identifies potential alternative route segments that take into account those constraints. Once Power Engineers identifies preliminary alternate route segments for the project, we will invite you and potentially affected landowners to an open house to review the environmental and land use constraints maps, as well as many other exhibits.

We appreciate your assistance with this project. Please send your input to me by mail, telephone or email at:

   Roxanne Hernandez
   Regulatory Affairs
   Lower Colorado River Authority
   P.O. Box 220
   Austin, Texas 78767-0220
   800-776-5272, Ext. 4198, or 512-578-4198
   roxanne.hernandez@lcra.org

Project information is posted at www.lcra.org/zornmarion. You may also contact me if you have any questions or would like additional information. We would appreciate receiving your reply by July 31, 2015.

Sincerely,

[Signature]

Roxanne Hernandez
Senior Regulatory Case Manager
Lower Colorado River Authority

Enclosures

cc: Rob R. Reid (Power Engineers)