

Electric Transmission Texas (“ETT”) Facts at a Glance



ETT Texas Headquarters

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President

J. Calvin Crowder
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Operating Information

Service area: Certified to build throughout the Electric Reliability Council of Texas (“ERCOT”)

Net Transmission Assets as of 12/31/2013:	\$2.194 billion
2013 Revenues:	\$145.5 million

Electric Transmission Texas, LLC (“ETT” or the “Company”) is a regulated transmission-only electric utility headquartered in Austin, Texas and owned equally by subsidiaries of American Electric Power Company, Incorporated (“AEP”) and Berkshire Hathaway Energy Company.

ETT owns and operates electric transmission facilities across ERCOT. As of December 31, 2013, ETT has invested in over \$2 billion of transmission assets and plans to construct nearly \$1 billion of additional transmission assets over the next ten years.

ETT’s owners are two of the strongest electric utility companies in the United States and together they provide ETT with unparalleled transmission expertise and strong financial backing. AEP is one of the largest utility holding companies in the United States, with total assets of approximately \$56.4 billion as of Dec 31, 2013. Berkshire Hathaway Energy owns a portfolio of locally managed businesses that share a vision for the energy future, make sustainable investments to achieve that vision, and had \$70 billion of assets as of Dec. 31, 2013.

ETT fulfills a need for extensive investment in transmission infrastructure within the ERCOT footprint. The Company was formed in December 2007. As of December 31, 2013, ETT’s in-service assets include 1,518 circuit miles of transmission lines and 27 Company-owned substations. ETT’s current projects under development include 351 circuit miles of transmission lines and 11 substations, with various in-service dates through 2023.

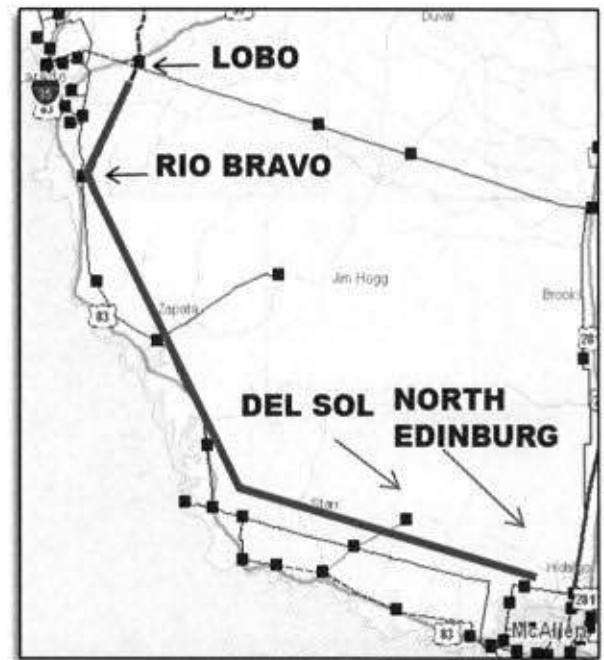
Major South Texas Construction Projects

Laredo to the Rio Grande Valley Transmission Project

On May 9, 2013, the Public Utility Commission of Texas ("PUCT") unanimously approved ETT's Certificate of Convenience and Necessity ("CCN") application to build a 345kV transmission line from the Laredo area into the Lower Rio Grande Valley.

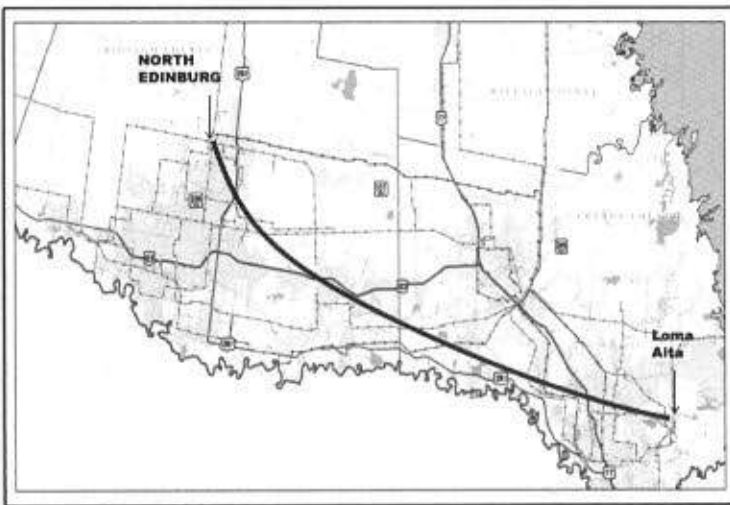
The transmission project includes construction of approximately 156 miles of 345kV transmission lines that will connect ETT's Lobo substation near Laredo with substations north of Edinburg, and will add two new substations along the line route. The project was endorsed and deemed "critical to reliability" by the ERCOT Board of Directors in October 2011.

The total cost of the transmission line is estimated at approximately \$320 million, and the total cost of the project including the stations, is estimated at approximately \$400 million. ETT anticipates completion of the project in 2016.



Cross Valley Transmission Project

On April 11, 2014, the PUCT unanimously approve ETT's CCN application to construct a new 345-kilovolt transmission project from North Edinburg to near Brownsville. The project will be jointly owned by ETT and Sharyland Utilities, L.P. ("Sharyland").

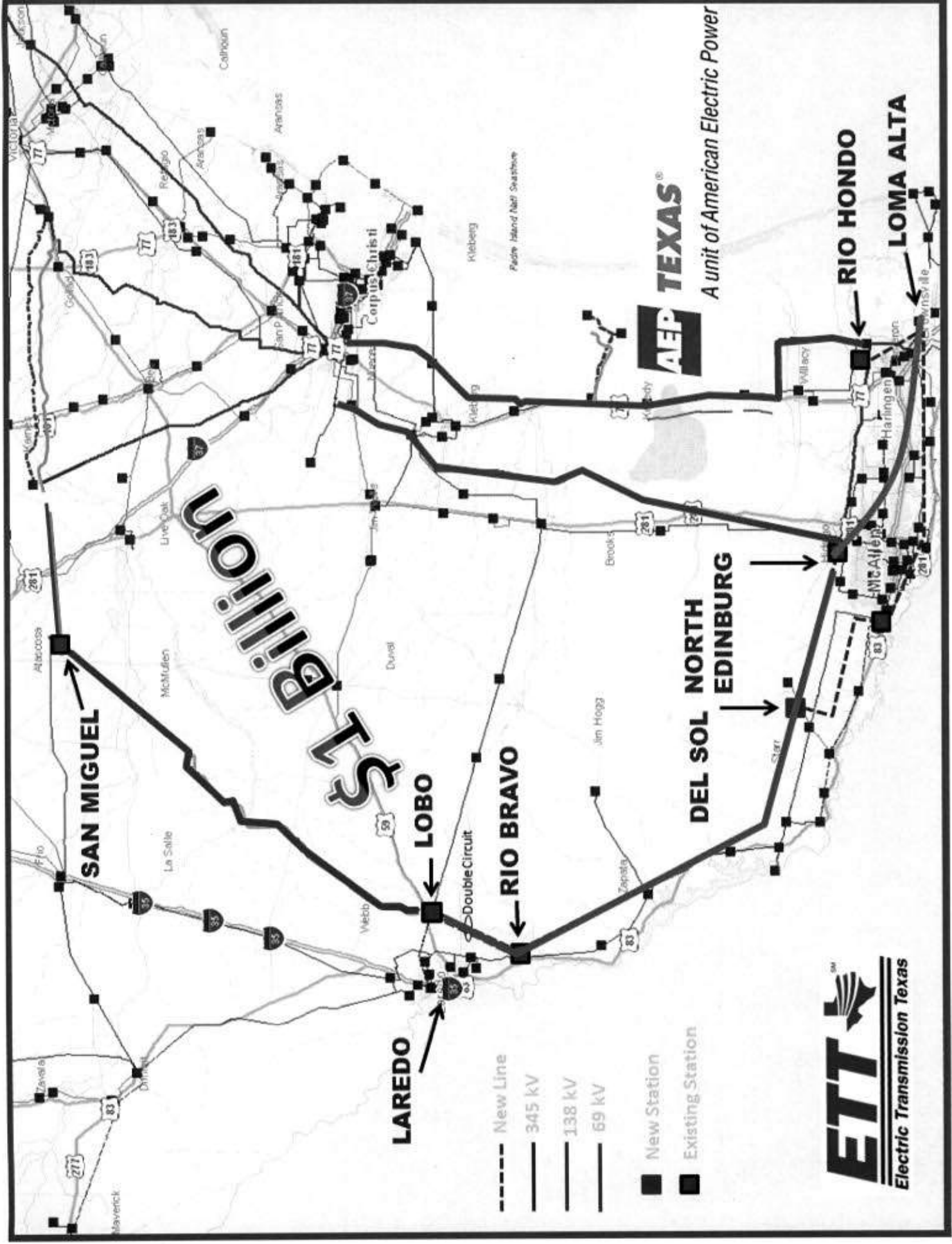


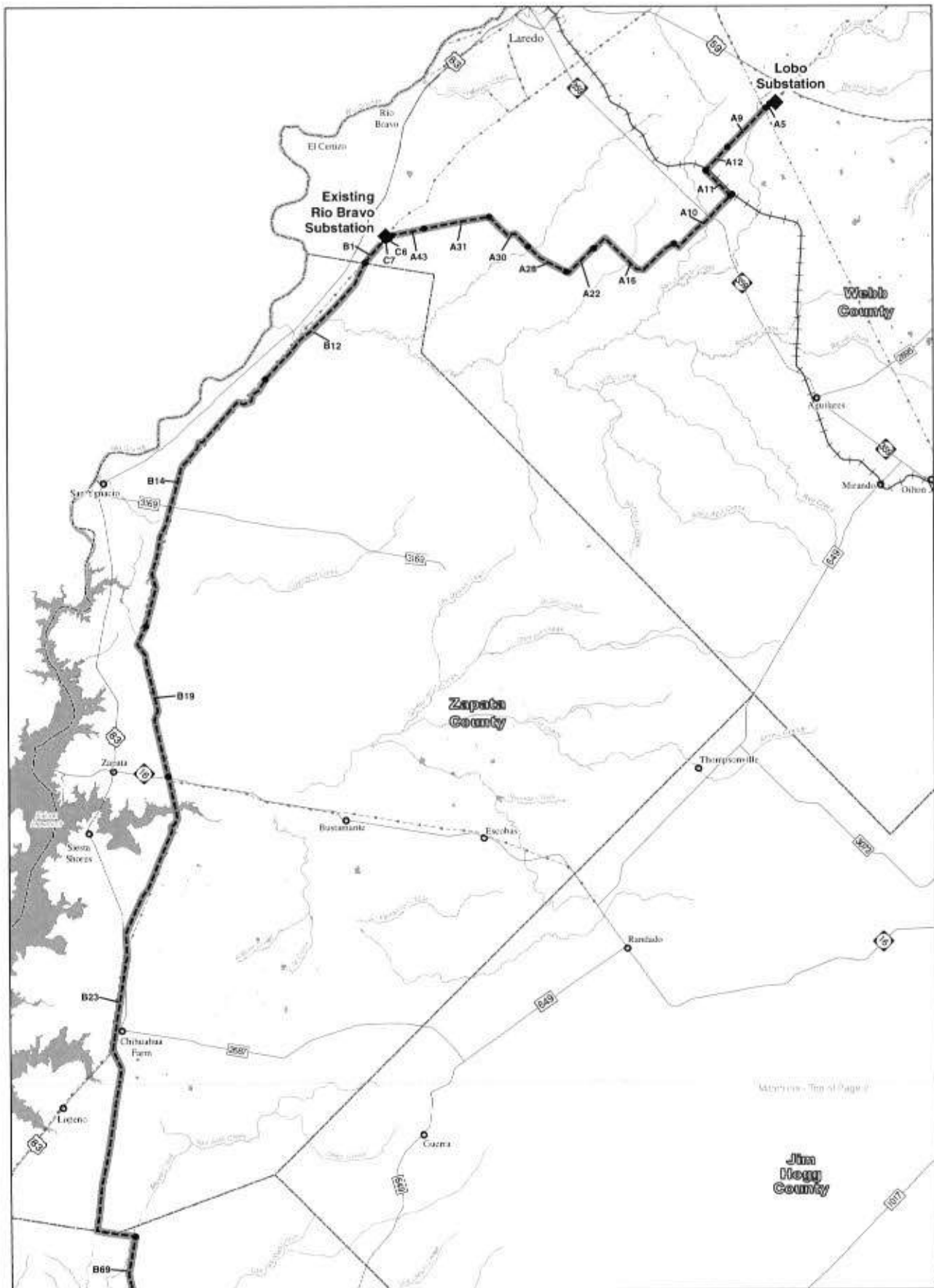
The total transmission line project length is approximately 96 miles long. It begins at the AEP Texas Central Company's ("TCC's") North Edinburg substation in Hidalgo County and continues to its end point at the Brownsville Public Utilities Board ("BPUB") Loma Alta substation in Cameron County, located at the Brownsville Ship Channel.

ETT will own the western portion of the line and Sharyland will be responsible for the eastern portion. The Companies anticipate completion of the project in 2016.

Timeline of Events

- On February 3, 2011, Laredo and the Rio Grande Valley experienced the coldest day in several years.
- Light snow was reported in Laredo. As the day progressed, ice began forming on roads, bridges and highways. By 10:00 p.m., IH-35 was closed down in Laredo all the way into La Salle County.
- The cold weather remained for nearly a week with wind chills in the single digits.
- A new record peak for electrical consumption was reached surpassing the previous record by 17%. More than 60,000 customers were without power in South Texas.
- The combination of the cold weather and the loss of some generation led to the need to resolve transmission reliability in the area. Independent studies indicated that a loss of certain transmission assets and generation units would result in the overload of the transmission system.
- With those studies complete, on October 11, 2011, ERCOT endorsed a new 345-kV transmission line beginning at the new Lobo substation located 15 miles north of Laredo on Highway 59 and continue to the North Edinburg substation in the Rio Grande Valley.
- On October 25, 2012 ETT filed an amendment to its Certificate of Convenience and Necessity ("CCN") and on May 9, 2013, the Public Utility Commission of Texas ("PUCT") Commissioners approved the new route.
- ETT is presently contacting affected landowners and have begun negotiations to purchase an easement for the line.
- On July 3, 2013, ETT and Sharyland Utilities, L.P. ("Sharyland") jointly filed amendments to their CCNs for a new 345-kV transmission line that would be constructed from the North Edinburg substation to the Loma Alta substation near the port of Brownsville and owned by the Brownsville Public Utility Board.
- The PUCT approved the construction of the transmission line on April 11, 2014.
- Both projects are anticipated to be complete by the summer of 2016.





Legend

Project Features

- Approved Route Link
- Approved Route Node
- Project Substation

Utility Features

- Existing Transmission Line

Transportation Features

- US Highway
- State Highway
- Farm-to-Market Road
- Railroad

Administrative Boundaries

- County Boundary
- Municipal Boundary
- Community (Not to scale)

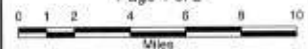
Water Features

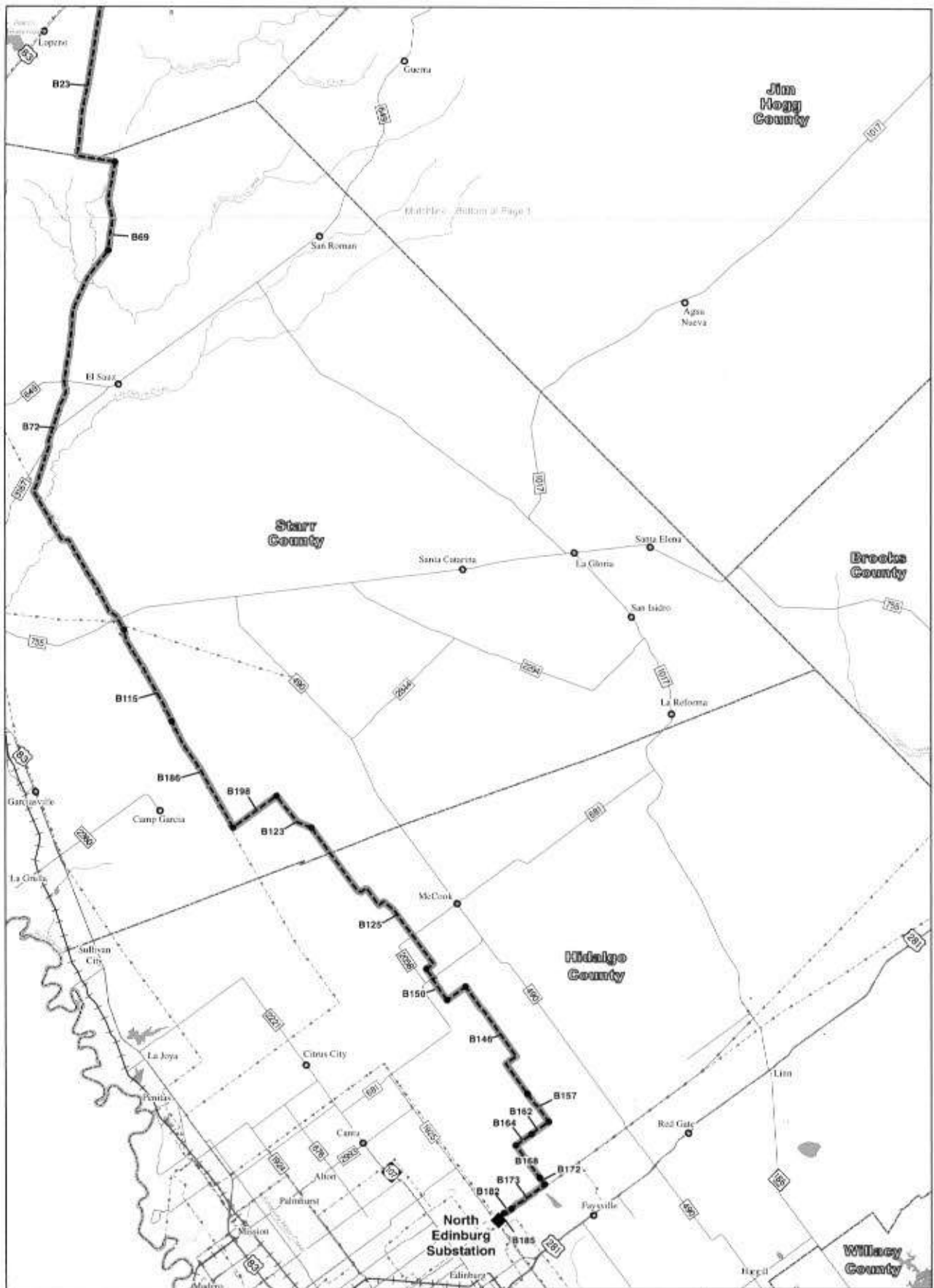
- River or Stream
- Lake or Pond

Note: Some links are exaggerated to better identify paralleling opportunities.

Lobo Rio Bravo North Edinburg
345-KV Transmission Line Project

Approved Route
PUC Docket 40728
Page 1 of 2





Legend

Project Features

- Approved Route Link
- Approved Route Node
- Project Substation

Utility Features

- Existing Transmission Line

Transportation Features

- US Highway
- State Highway
- Farm-to-Market Road
- Railroad

Administrative Boundaries

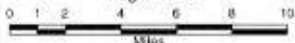
- County Boundary
- Municipal Boundary
- Community (Not to scale)

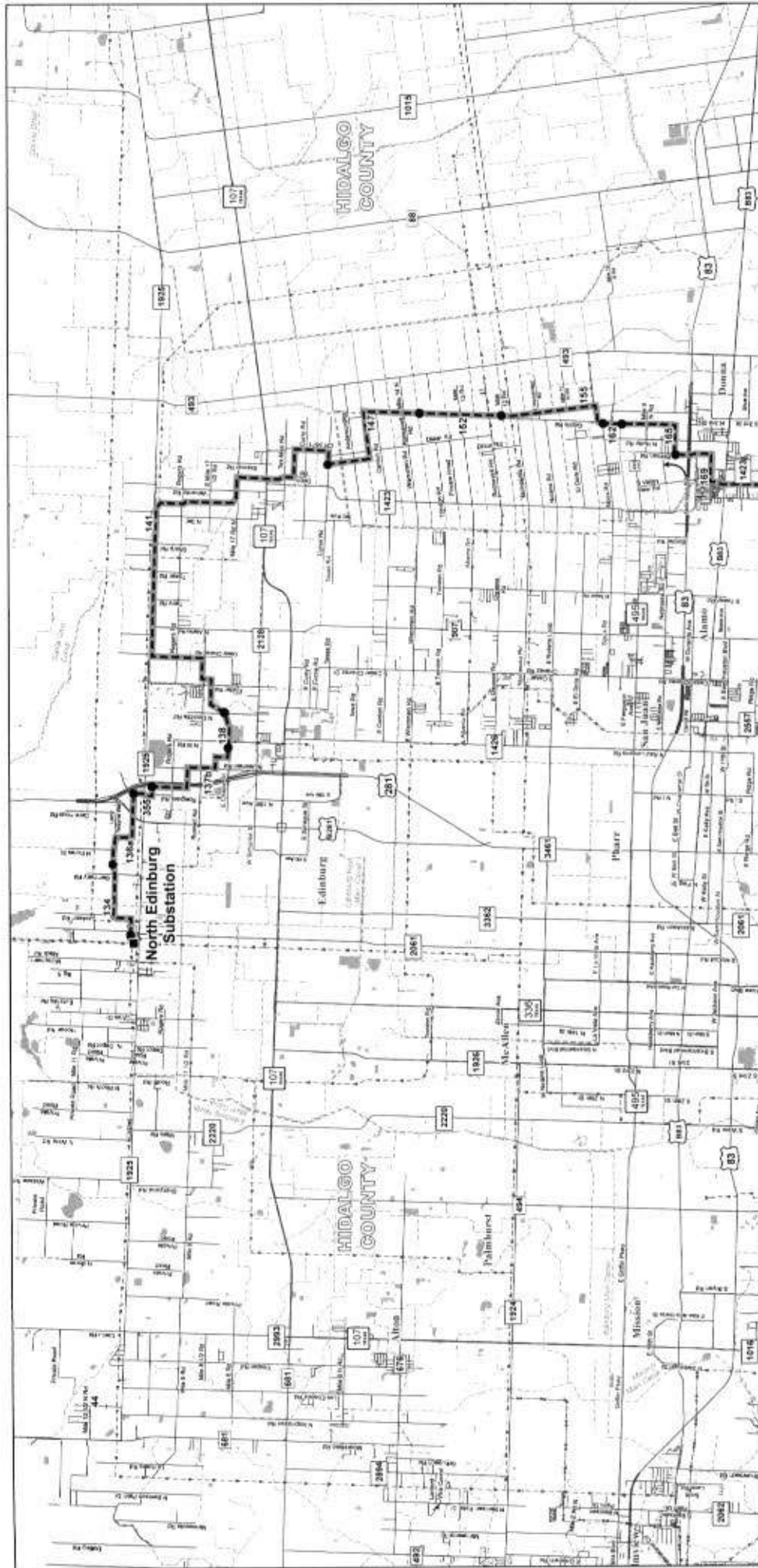
Water Features

- River or Stream
- Lake or Pond

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Lobo-Rio Bravo-North Edinburg
345-kV Transmission Line Project
Approved Route
PUC Docket 40728
Page 2 of 2





North Edinburg -
Loma Alta 345 kV Project

Approved Route
Sheet 1 of 3

Scale: 0 1 2 3 4 Miles

North Arrow

ETI
Date: 3/27/04



Legend

Project Features

- Project Substation
- Link Node
- ▬ Approved Route

134-136a-355-137b-138-141-147-152-155-160-165-169-193a-193b-361-351b-193c-194-201-207-208-204-212-214-219-226-233-235-256-258-265-286-285partial-302-277partial-278-268-267-273-306-121-322-327-328-335-340-341

Transportation Features

- ▬ 83 US Highway
- ▬ 55 State Highway
- ▬ 145 Farm-to-Market Road

Utility Features

- ▬ Existing Transmission Line

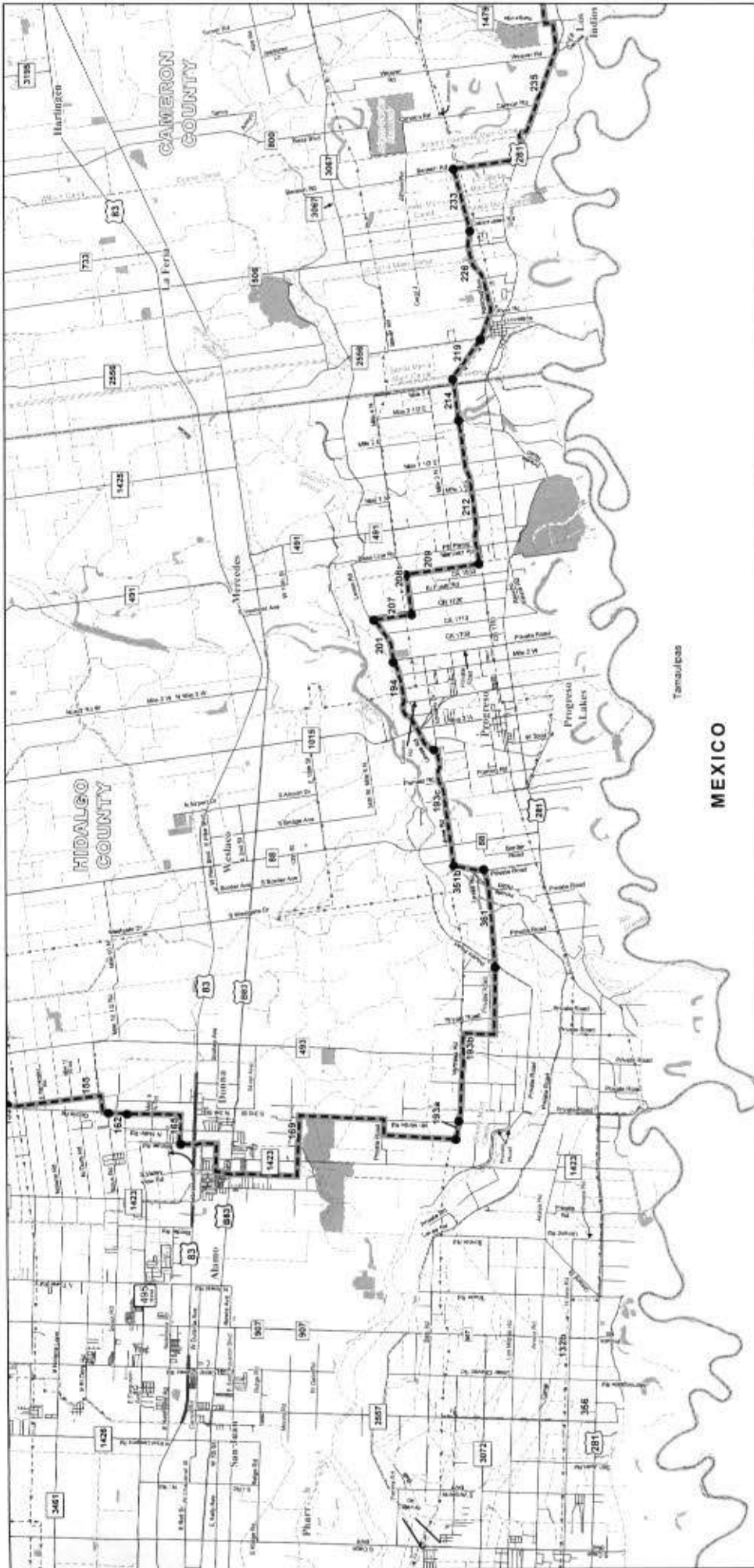
Administrative Features

- ▭ County Boundary
- ▭ Municipal Boundary

Water Features

- ▬ River, Stream, or Canal
- ▬ Lake, Pond or Resaca

Note: Some features are associated to better identify parabeing opportunities



North Edinburg Loma Alta 345 kV Project
 Approved Route
 Sheet 2 of 3



Scale: 0 to 4 Miles
 North Arrow
 EIT
 Date: 3/27/2014
 SkyView Utilities

Administrative Features
 County Boundary
 Municipal Boundary

Water Features
 River, Stream, or Canal
 Lake, Pond or Resaca

Legend

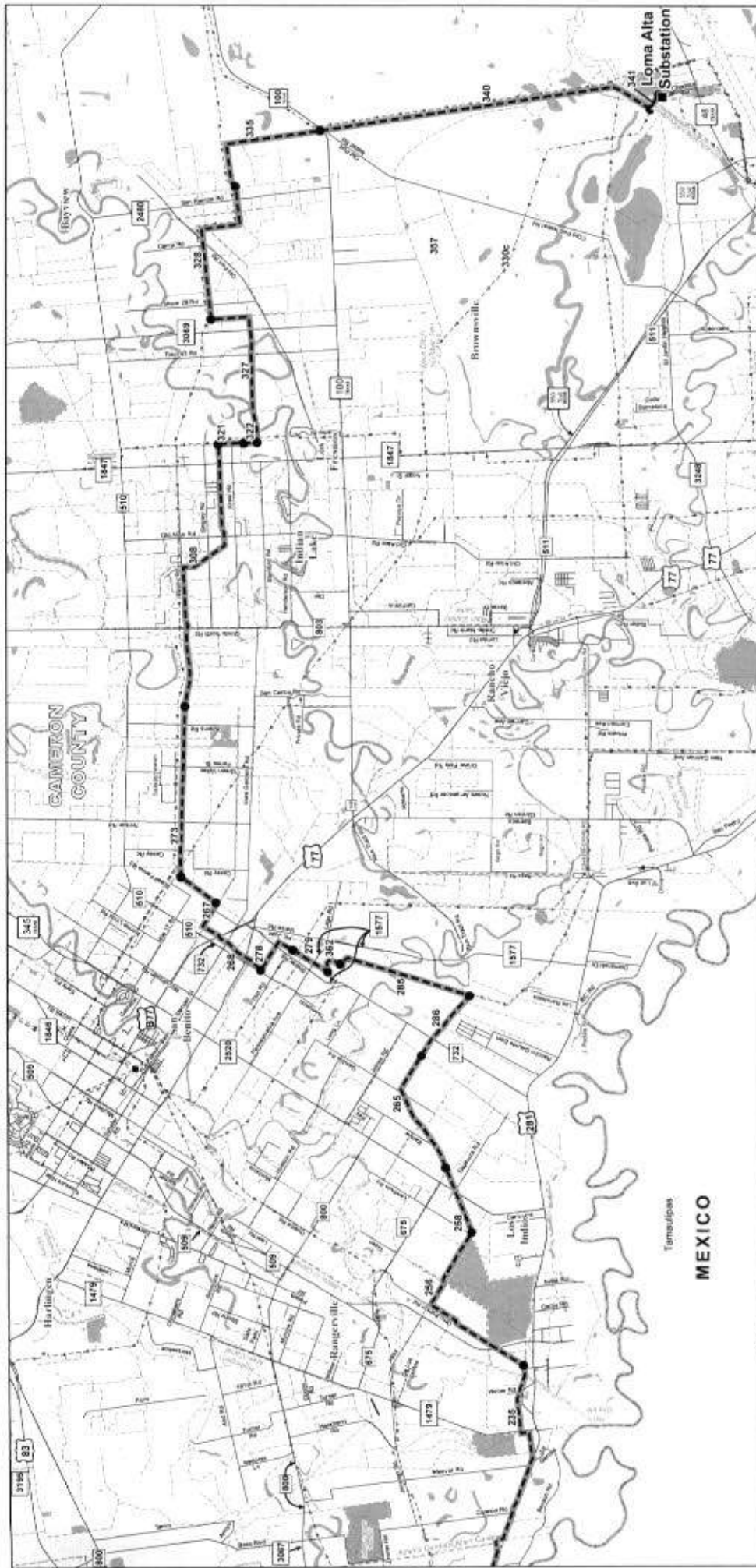
Project Features
 Project Substation
 Link Node
 Approved Route

Transportation Features
 US Highway
 State Highway
 Farm-to-Market Road

Utility Features
 Existing Transmission Line

134-136a-355-17b-138-141-147-152-155-162-165-169-193a-193b-361-351b-151c-194a-201-207-206-208-272-214-219-225-233-235-256-259-265-266-268-269a-269b-271-272-273-275-308-321-322-327-328-335-340-341

Note: Some features are exaggerated to better identify paralleling opportunities.



North Edinburg -
Loma Alta 345 kV Project
Approved Route
Sheet 3 of 3

0 1 2 3 4
Miles

Shirleybird
Lathrop

Date: 3/27/2014



Administrative Features

- County Boundary
- Municipal Boundary

Water Features

- River, Stream, or Canal
- Lake, Pond or Resaca

Transportation Features

- US Highway
- State Highway
- Farm-to-Market Road

Utility Features

- Existing Transmission Line

Legend

Project Features

- Project Substation
- Link Node
- Approved Route

134-1306-365-137b-138-141-147-152-155-162-155-169-193a-
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235-256-258-265-266-265spatial-302-279spatial-279-265-267-277-
309-321-322-327-328-335-340-341

Note: Some features are exaggerated to better identify planning opportunities.

