

Q. WHAT IS THE TRANSMISSION PROJECT?

A. The transmission Project is a joint project of AEP Texas North Company (AEP TNC) and Electric Transmission Texas, LLC (ETT) (jointly referred to as the “Companies”). The Project is a 138-kV transmission line that will begin at the proposed AEP TNC Heartland Substation to be constructed near FM 2309 southeast of the City of Brady. The new transmission line will generally extend to the southwest until it reaches the existing ETT Yellowjacket Substation located in the City of Menard. The final location of the Project will depend on what route (or combinations of routing links) is approved by the PUC after a Certificate of Convenience and Necessity (CCN) application is filed with the PUC.

Q. WHY IS THE PROJECT NEEDED?

A. Currently, the Brady area is served by two long 69-kV transmission lines. In August 2013, a severe storm caused the outage of both of the existing lines resulting in an extended interruption of electric service to approximately 9,000 customers in the Brady area. In addition, ERCOT identified a number of low voltage issues and transmission lines that would become overloaded during an outage of a single transmission line in the general area. The additional transmission source into the Brady area is intended to address these reliability issues. The Electric Reliability Council of Texas (ERCOT) is responsible for identifying the necessary transmission system improvements to provide a reliable and adequate transmission network in most of Texas, including this area. ERCOT has determined that a new 138-kV transmission line is required to address reliability issues in the Brady area and to provide additional transmission capacity for future electrical load growth.

Q. WHAT IS ERCOT?

A. In early 1996, the PUC issued revised rules to incorporate the Texas Legislature's changes to the Public Utility Regulatory Act (PURA) to create an Independent System Operator (ISO). Essentially an ISO is an independent, third-party entity that oversees the activities related to the reliable and safe transmission of electricity within a specified geographic area. However, as part of the electric retail choice implementation by the Texas Legislature, in the case of the ERCOT ISO, it also provides the platform for an open, competitive marketplace in the areas in Texas open to retail competition. Under PURA, the ERCOT ISO is required to perform four primary functions:

1. Ensure non-discriminatory access to the transmission and distribution systems for all electricity buyers and sellers.
2. Ensure the reliability and adequacy of the regional electric network.
3. Ensure that information related to customer retail choice is provided in a timely manner.
4. Ensure that electricity production and delivery are accurately accounted for among all regional generators and wholesale buyers and sellers.

Q. WHAT IS THE PUC?

A. The PUC is the state agency that was created by the Texas Legislature to provide statewide regulation of the rates and services of electric and telecommunications utilities.

Q. DOES THE PUC HAVE JURISDICTION OVER THE COMPANIES?

A. Yes, the Companies' activities are regulated by the PUC. The Companies must submit a CCN Application to the PUC to obtain approval to construct the transmission line. In that CCN Application, the Companies will present to the PUC numerous alternative routes for the PUC to consider. If the PUC agrees with the Companies that the transmission line is needed, the PUC will then make the final determination of the transmission route to be used for this project. The PUC will only approve one route.

Q. WHAT IS THE PURPOSE OF THE PUBLIC OPEN HOUSE?

A. The open houses provide the Companies and their routing consultant the opportunity to obtain public input on the route links presented. This input will be considered in the future development of the alternative routes submitted to the PUC and considered in the evaluation process of the alternate routes as well. The open house also provides an effective venue to inform the public on the project and the routing process. All public open houses are held in the evening and on days that are not intended to conflict with landowners' availability to attend. Meetings are "come and go" settings with different stations available to discuss different aspects of the proposed transmission line -- from the need for the transmission line to the routing evaluation process. Questionnaires are provided to solicit attendee responses that will also be considered as part of the routing development and evaluation process.

Q. WILL AN ENVIRONMENTAL ANALYSIS OF THE ROUTES BE PERFORMED?

A. Yes. THE COMPANIES is currently working with an experienced routing consultant to perform an environmental assessment and routing analysis for the proposed transmission line project. The routing consultant employs professional personnel with backgrounds in various environmental sciences, socioeconomics, and cultural resources. The environmental assessment and routing analysis will be part of the CCN Application filed with the PUC.

Q. WHEN WILL THE COMPANIES FILE THE CCN APPLICATION AND START CONSTRUCTION OF THE TRANSMISSION LINE?

A. The Companies plans to file the CCN Application in the summer of 2016 and anticipates approval by the late summer of 2017. After final design is completed and easements are obtained, the Companies anticipate that construction would begin late 2017 or early 2018.

Q. WHAT IS AN EASEMENT?

A. An easement is a legal document that gives a utility certain rights to use privately owned land for a specific purpose. The landowner retains ownership of the property. The proposed project will require easements to be obtained from landowners on the route approved by the PUC. Easement rights would be purchased along the path of the transmission line as needed to allow for installation, operation, and maintenance of the transmission line.

Q. HOW WIDE IS AN EASEMENT?

A. The typical easement for this project will be 100 feet wide. Additional easement area may be necessary in some locations for specialized structures.

Q. HOW ARE LANDOWNERS IMPACTED BY EASEMENTS?

- A. Easements provide the utility the ability to clear right-of-way and construct electric facilities within the easement boundaries. Clearing includes the removal of trees and shrubs in the easement that would interfere with the safe operation and maintenance of the transmission line. Erosion control measures are implemented during the clearing and construction process. After the Companies have obtained a necessary easement from a landowner, the landowner will be contacted prior to clearing and construction activities. The Companies will undertake reasonable efforts to minimize disturbances to the landowner's use of the property and the impact to landowner's property in general during clearing and construction activities. After completing construction of the transmission line, the surface of the easement area will be restored as nearly as possible to its original contours and grades and will be re-vegetated as necessary using native species, while giving consideration to landowner preferences. The landowner may continue to use the easement property, as long as the activity does not interfere with the construction, operation and maintenance of the line and does not jeopardize the safe use of the easement area. PUC rules require that a new easement restrict the new construction of any above-ground structures within the right-of-way.

Q. WHAT TYPE OF STRUCTURES WILL BE USED TO CONSTRUCT THE LINE?

- A. The Companies anticipate that the typical structure will be either a steel or concrete single-pole structure. The typical single-pole structure will be between 90 to 110 feet tall with a typical span distance between structures of 625 feet. A structure height must provide the minimum clearances to the ground, roadways, structures, and other utility structures to comply with the National Electrical Safety Code (NESC). These clearance requirements are for the safety of the general public. A drawing of a typical structure for this project is included on page four of this document.

Q. ARE THE STRUCTURES SECURE AND SAFE?

- A. Yes. The Companies design and construct transmission lines with safety in mind. The materials that are used comply with the strength requirements of all applicable codes, including the NESC (as required by Texas statute) and the American Standard Testing Materials Specifications. The Companies' design and construction practices meet or exceed all of these codes and specifications. These codes and specifications were developed in part to protect the general public from electrical shock. Also, if a severe event occurs such as extreme wind conditions, and causes an overhead conductor to break and fall to the ground, the Companies have protective devices in place to de-energize the line to further protect the general public. It is important to remember that a conductor on the ground should always be considered dangerous. The Companies request that if one is found, contact with it should be avoided and the Companies should be called immediately.

**AEP TNC HEARTLAND TO ETT YELLOWJACKET
138-KV TRANSMISSION LINE PROJECT
TYPICAL SINGLE-POLE STRUCTURES**

