



A RESOLUTION APPROVING AND AUTHORIZING THE CONSTRUCTION OF THE SOUTHTON SUBSTATION PROJECT AND THE ACQUISITION OF EASEMENT RIGHTS AND FEE SIMPLE TITLE OVER AND ACROSS CERTAIN PROPERTIES LOCATED IN BEXAR COUNTY, TEXAS, EITHER BY PURCHASE THROUGH NEGOTIATIONS OR BY THE PROCESS OF EMINENT DOMAIN, FOR EXPANSION AND OPERATION OF THE CITY OF SAN ANTONIO ELECTRIC SYSTEM, INCLUDING THE CONSTRUCTION, OPERATION AND MAINTENANCE OF A SUBSTATION, ELECTRIC TRANSMISSION LINES, DISTRIBUTION LINES, COMMUNICATION SYSTEMS, AND RELATED APPURTENANCES.

WHEREAS, CPS Energy staff identified the need for a new substation to enhance reliability of the CPS Energy electric system within southern Bexar County Comal County, Texas (the "Southton Substation Project");

WHEREAS, the Southton Substation Project has a recommended in-service date by June 2019;

WHEREAS, CPS Energy, using staff resources and a team of engineering, environmental, and other professionals (the "Project Team"), has followed the CPS Energy Facility Routing/Siting Process to identify a proposed site for the substation that would minimize human and environmental impacts to the greatest extent practicable;

WHEREAS, the process used by CPS Energy included notification of landowners adjacent to potential substation sites and area public officials, maintenance of internet-based information, and the receipt of public comments regarding substation sites and electric transmission and distribution line routes through an open house meeting, correspondence, phone calls and other meetings;

WHEREAS, at the close of the process, CPS Energy staff recommended to the CPS Energy Board of Trustees ("Board") a site that is located just east of IH 37 South and north of Blue Wing Road with the route of the electric transmission and distribution lines following a route beginning at the CPS Energy Braunig Power Plant located just southwest of Streich Road and Old Corpus Christi Highway and extending in a northerly and westerly direction in southern Bexar County, Texas, as shown on the Project Site Map attached as Exhibit "A" to this Resolution (the "Project Site Map");

WHEREAS, the Board has considered the public impacts of selecting the preferred site through correspondence and other contacts with the public, through communications with CPS Energy staff, through communications with the members of the Citizens Advisory Committee, and the fact that the Citizens Advisory Committee unanimously passed a motion supporting the proposed site for the substation and associated electric transmission and distribution lines;

WHEREAS, the Board agrees with the Project Team's determination that the CPS Energy recommended substation site for the Southton Substation and the routes for the associated electric transmission and distribution lines has one of the lowest impacts of the site alternatives on both the human and natural environments because such site and route will, to the greatest extent practicable when compared to other sites:

- Maximize use of existing rights-of-way,
- Minimize impacts to natural resources and environmentally sensitive land,

- Minimize the impacts to residential developments and habitable structures, and
- Minimize the overall impact of additional CPS Energy facilities in future years;

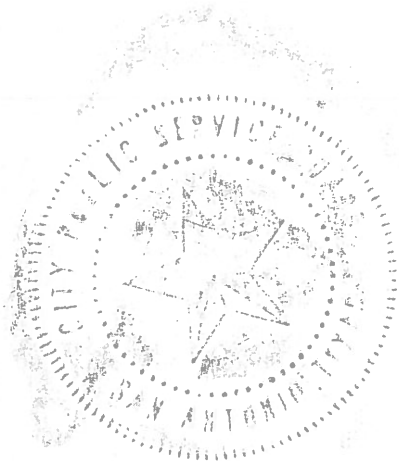
WHEREAS, the Board finds necessary and desirable the construction of the Southton Substation and associated electric transmission and distribution lines, communication systems and related appurtenances and the acquisition of easement rights and fee simple title over and across properties in Bexar County, Texas at the recommended site and along the route of the electric transmission and distribution lines, for the construction, operation and maintenance of the City of San Antonio Electric System, including the construction, operation and maintenance of the Southton Substation Project, either by purchase through negotiations, or by the process of eminent domain approved by the San Antonio City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY PUBLIC SERVICE BOARD OF TRUSTEES that:

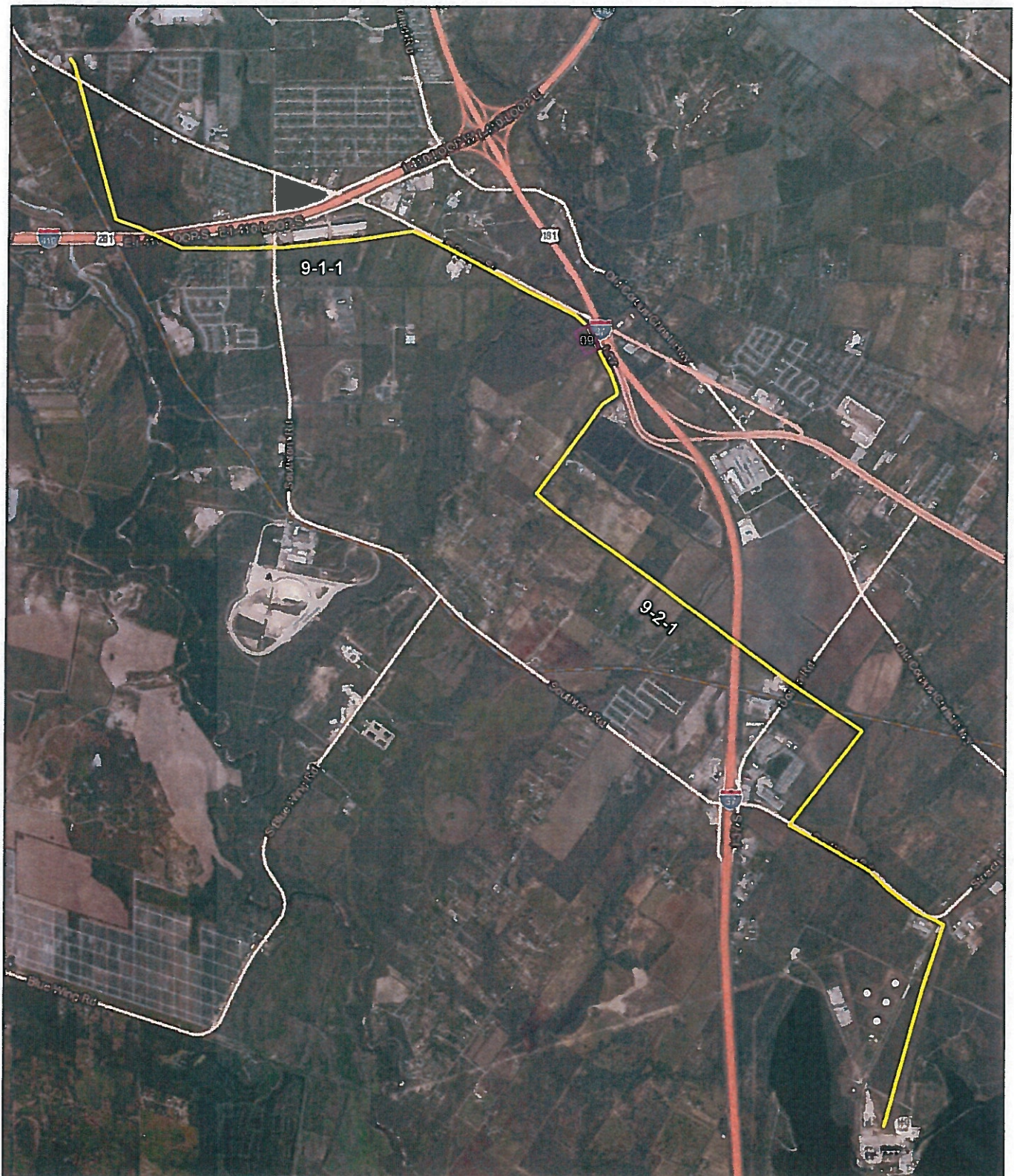
1. The recitals to this Resolution are hereby incorporated for all purposes.
2. The Board finds that the Southton Substation Project is of great importance to the public, and that CPS Energy has taken into account appropriate environmental, health and safety concerns in designating the recommended site and route.
3. The Board hereby approves the CPS Energy Southton Substation Project to be constructed on the recommended site and route, as generally depicted on the Project Site Map attached to this Resolution as Exhibit "A" and hereby incorporated for all purposes, and directs CPS Energy staff and attorneys to proceed with the necessary steps to undertake and complete the Southton Substation Project.
4. The Board reaffirms the CPS Energy practice of taking all necessary and reasonable steps to minimize disturbance on affected lands.
5. The Board hereby authorizes, ratifies, approves, confirms, validates, and declares to be valid in all respects as of the respective dates thereof all acts and proceedings done or initiated by CPS Energy contractors, employees, agents and attorneys for the Southton Substation Project, including all acts relating to the acquisition of easement rights and fee simple title over, across and under properties as shown on the Project Site Map.
6. The Board authorizes the President and CEO of CPS Energy and/or his designee to determine the exact site for CPS Energy's substation site and associated electric transmission and distribution lines at the recommended site and route as depicted generally on the Project Site Map.
7. The Board finds that the acquisition of easement rights and fee simple title to properties at the recommended site and along the electric transmission and distribution lines route is necessary and desirable for the important public purpose of the construction, operation and maintenance of the City of San Antonio's Electric System, including the CPS Energy Southton Substation Project. The Board hereby authorizes acquisition of easement rights and fee simple title necessary for CPS Energy's Southton Substation Project, either by purchase through negotiations or by the process of eminent domain, as well as all other lawful action necessary and incidental to such acquisitions or eminent domain proceedings to survey, specify, define, and secure the necessary title and rights.
8. The Board directs CPS Energy staff to ensure that members of the public may obtain the current Project Site Map at www.cpsenergy.com (search word "Southton").

I, Carolyn E. Shellman, Secretary of The Board of Trustees of the CPS Energy, do hereby certify that the foregoing is a true and exact copy of a resolution which was unanimously passed and approved at the meeting of the Board of Trustees of the CPS Energy, held on February 27, 2017, at which a quorum was present.

WITNESS MY HAND AND SEAL OF THE CPS ENERGY BOARD OF TRUSTEES on the 29th day of March 2017.



Carolyn E. Shellman
Carolyn E. Shellman
Secretary of the Board



0 2,000 Feet
0 500 Meters

Substation Site
 Transmission Line Route

SWCA
ENVIRONMENTAL CONSULTANTS

SWCA PN.38368 . Production: January 17, 2017, JCK

Service Layer Credits: Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors
Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS,
AeroGRID, IGN, and the GIS User Community

Document Path: P:\Projects\380303367 Southern Substation Siting\GIS\mxd\WRI\Report 38368 TL re Route Map 20170113.mxd

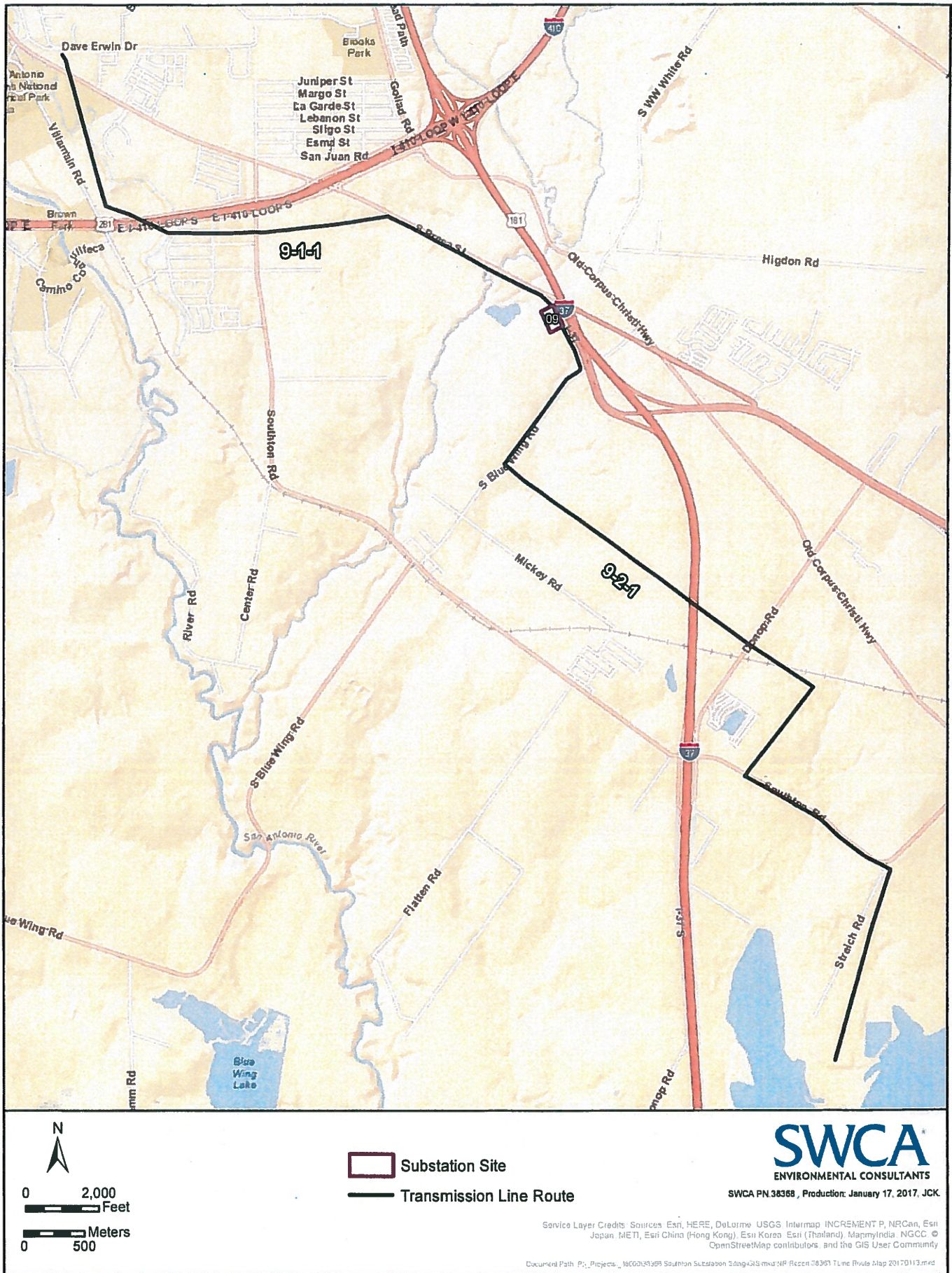


Exhibit "A" Page 2