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DIVERSE GROUP OF TEXAS TRANSMISSION PROVIDERS TO FILE DETAILED TRANSMISSION PLAN TO SUPPORT TEXAS CREZ WIND POWER INITIATIVE

Austin, Texas, Sept. 12, 2008 – A diversified group of qualified Texas transmission providers will file a detailed proposal today with the Public Utility Commission of Texas (PUCT) for the construction of electric transmission as part of the Competitive Renewable Energy Zone (CREZ) process.

Members of the group include: Electric Transmission Texas, LLC, (ETT), LCRA Transmission Services Corporation (LCRA TSC), Oncor Electric Delivery, Sharyland Utilities, South Texas Electric Cooperative (STEC) and Texas-New Mexico Power Company (TNMP). This group consists of the most experienced and innovative companies currently certified to build electric transmission facilities in Texas with established companies joining in cooperation with new participants seeking to expand their transmission operations in the state.

The group's joint plan describes:

- A comprehensive implementation plan to build approximately 2,400 miles of 345-kV transmission lines and associated electrical substations to meet the needs of the state's Competitive Renewable Energy Zones.
- Established relationships with key vendors of needed raw materials and equipment, which will allow for the prompt, cost effective completion of the CREZ facilities.
- A history of secure financing under known standards established by the Public Utility Regulatory Act that will assist in completing the planned transmission expansion in the most cost-effective manner.
- Coordination of CREZ facilities with existing load and generation serving facilities to maximize efficient expansion of the grid.
- A long-term transmission commitment to Texas with members of the group having operated in Texas for decades and paying hundreds of millions of dollars every year in taxes and Texan's salaries.

- A significant new transmission entity willing to make substantial new investments in Texas.

The comprehensive, coordinated proposal will establish the group's ability to obtain the necessary certification to construct the CREZ transmission facilities. It will describe the group's extensive support networks available to plan, design, finance and construct the needed facilities in the most cost-effective manner.

In addition, this joint proposal will demonstrate the capability of the group to operate and maintain the transmission facilities after they are built, while complying with all legal and regulatory requirements without duplicating infrastructure and personnel that otherwise would be necessary for a stand-alone start-up entity. Also, unlike start-up entities, each of the companies in this group already has received a Certificate of Convenience and Necessity (CCN) from the PUCT, meaning they can begin the process immediately once given the go-ahead from the Commission.

When the PUCT adopted the Scenario 2 CREZ Plan, it encouraged organizations to work together to help ensure timely cost-effective development of transmission facilities to support wind power. Scenario 2 envisions the construction of approximately 2,400 miles of new 345-kV transmission lines at a projected cost of \$4.9 billion.

The original group consisting of ETT, LCRA TSC, Oncor and Sharyland filed their initial statement of intent with the PUCT on July 24, 2008. Since that time, the South Texas Electric Cooperative and Texas-New Mexico Power Company have joined the group, providing added operational experience and financial capabilities. As this process moves forward, the group will continue discussions with other entities seeking to become part of the joint proposal.

The joint proposal to be filed Friday outlines in detail the transmission facilities that each member of the transmission group will develop in order to bring wind power from the west to the load centers throughout Texas. While each transmission provider will assume responsibility for permitting, construction, operation and maintenance of their proposed facilities, the group will closely coordinate all aspects of the overall CREZ project and work with the Electric Reliability Council of Texas (ERCOT) in the implementation.

ETT proposes to build and own CREZ transmission facilities within and around the AEP Texas North Company's distribution service area; LCRA TSC and Oncor propose to develop transmission facilities in and around their service areas; Sharyland proposes developing transmission facilities in the Texas Panhandle that are not currently in the ERCOT transmission footprint; the South Texas Electric Cooperative proposes building transmission facilities in Crockett, Pecos and Schleicher counties southeast of McCamey, Texas; and Texas-New Mexico Power Company proposes to build transmission facilities in Montague County.

About Electric Transmission Texas

Media Contact: Larry Jones (512) 203-4916

ETT, the newest transmission utility in the state, owns and operates transmission facilities within Texas. ETT is a joint venture between subsidiaries of American Electric Power and MidAmerican Energy Holdings Company to build transmission projects within the Electric Reliability Council of Texas. AEP owns the nation's largest electricity transmission system, a nearly 39,000-mile network that includes more 765-kilovolt extra-high voltage transmission lines than all other U.S. transmission systems combined. MidAmerican Energy Holdings Company, based in Des Moines, Iowa, is a global provider of energy services. MidAmerican subsidiaries PacifiCorp and MidAmerican Energy Company own and operate more than 18,000 miles of electric transmission lines.

About the LCRA TRANSMISSION SERVICES CORPORATION

Media Contact: Robert Cullick (512) 473-4086

LCRA TSC is a nonprofit affiliated company of the Lower Colorado River Authority (LCRA). LCRA is a conservation and reclamation district that provides energy, water and community services to improve the quality of life for the people of Texas. Created by the Texas Legislature in 1934, LCRA has no taxing authority and operates solely on utility revenues and service fees. LCRA TSC is a nonprofit corporation created by the LCRA to build, own and operate transmission lines and related facilities throughout Texas. LCRA TSC owns about 3,300 miles of transmission lines and other facilities that are part of the state's electric grid. LCRA TSC pays local and state taxes.

About Oncor

Media Contact: Chris Schein (972) 791-6200

Oncor is a regulated electric distribution and transmission business that provides reliable electricity delivery to consumers. Oncor operates the largest distribution and transmission system in Texas, providing power to 3 million electric delivery points over more than 102,000 miles of distribution and 14,000 miles of transmission lines. While Oncor is a subsidiary of Energy Future Holdings Corp., Oncor is a separate entity with a separate board that is comprised of a majority of independent directors.

About Sharyland Utilities, L.P.**Media Contact – Jeanne Phillips (214) 978-8534**

Sharyland Utilities, L.P. is a privately-owned, Texas-based transmission and distribution electric utility that has operated along the Texas/Mexico border in the cities of Mission and McAllen for the past eight years. Although relatively new to the Texas transmission industry, Sharyland Utilities has quickly developed a reputation as an agile and innovative utility. Last year, Sharyland Utilities commissioned a 150 MW High Voltage Direct Current Interconnection (DC tie) between the ERCOT grid of Texas and the Comisión Federal de Electricidad grid of Mexico, which will allow for the first commercial bidirectional electricity trade between the U.S. and Mexico. Sharyland Utilities is owned by Hunter L. Hunt and other members of his family and managed by Hunter L. Hunt.

About the South Texas Electric Cooperative**Media Contact: Dotty DiSanto, P.E. (361) 485-6146**

South Texas Electric Cooperative, STEC, a generation and transmission cooperative located in Nursery, Texas was formed in 1944 to provide wholesale electric power to its member cooperatives. Presently STEC serves eight distribution cooperatives: Karnes, Wharton County, Victoria, Jackson, San Patricio, Nueces, Magic Valley and Medina electric cooperatives. These cooperatives provide service to over 170,000 members in 65 South Texas counties. STEC's transmission lines cover roughly one-fifth of the state of Texas. STEC's generation portfolio is a diverse one, it includes natural gas, hydro-electric, coal, lignite, and upcoming wind and solar power.

About Texas-New Mexico Power Company**Media Contact: Don Brown (505) 241-2882**

Texas-New Mexico Power Company provides community-based electric delivery service to approximately 226,000 customers in Texas. It is an indirectly owned subsidiary of PNM Resources.