

Press Release

Contact: Paul Schulze
Company Spokesperson
214.978.8534

For Immediate Release

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SU FERC, L.L.C. ISSUES NOTICE OF OPEN SOLICITATION FOR CAPACITY RIGHTS ON SOUTHLINE TRANSMISSION PROJECT

DALLAS (March 31, 2016) – SU FERC, L.L.C. (“SU FERC”), announced today that it has commenced an open solicitation process for capacity on the Southline Transmission Project (“Southline” or “Project”). SU FERC intends to allocate up to 100 percent of its capacity rights to customers through an open and transparent capacity allocation process. Interested parties can learn more about the Southline open solicitation process and how to participate by visiting <http://www.southline-os.com>.

In order to obtain transmission capacity rights on the Southline Transmission Project, interested parties must register and submit a non-binding Expression of Interest Form through the Open Solicitation website by June 30, 2016.

About the Project

The proposed Project consists of a “New Build” Section of approximately 240 miles of 345-kV double-circuit transmission line and associated facilities (connecting the existing Afton Substation, south of Las Cruces, New Mexico, and the existing Apache Substation, south of Willcox, Arizona) and an “Upgrade” Section of approximately 120 miles of 115-kV Western Area Power Administration (“Western”) transmission line that would be upgraded to double-circuit 230-kV (connecting the Apache Substation to the existing Saguaro and Tortolita Substations northwest of Tucson, Arizona). The Project will connect to up to 14 existing substations and may include development of a new substation in Luna County, New Mexico.

The Project will provide up to 1,000 MW of bi-directional transmission capacity in southern New Mexico and southern Arizona with initial operations beginning as early as 2018, and the complete scope in service by 2020. Of that capacity, SU FERC will have east-to-west capacity rights for approximately 882 MW from Afton to Apache, and 748 MW from Apache to Saguaro/Tortolita. SU FERC will also have west-to-east capacity rights for 186 MW from Saguaro/Tortolita to Apache and 825 MW from Apache to Afton.

Additional information about the Project is available at <http://www.southlinetransmissionproject.com/>.

About SU FERC

SU FERC is an affiliate of Sharyland Utilities, L.P., a Texas-based electric utility headquartered in Dallas, Texas. SU FERC is privately-owned by Hunter L. Hunt and other members of the family of Ray L. Hunt, and is managed by Hunter L. Hunt.

About Western

Western is one of four power marketing administrations within the U.S. Department of Energy whose role is to market and transmit wholesale electricity from multi-use water projects. Western’s service area covers a 15-state region in the central and western U.S. and operates more than 17,000 circuit miles of transmission facilities that carry electricity from hydropower generation facilities operated by the Bureau of Reclamation, the U.S. Corps of Engineers and the International Boundary and Water Commission. Western has a non-jurisdictional reciprocity Open Access Transmission Tariff (“OATT”) on file with the Federal Energy Regulatory Commission under which Western offers nondiscriminatory access to its transmission system.