PRESS RELEASE

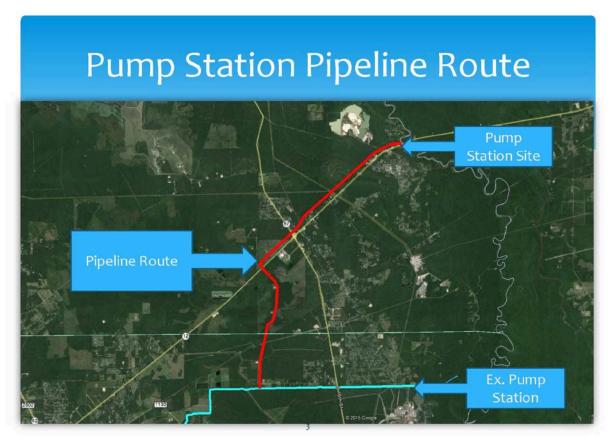
For Immediate Release February 19, 2020

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Sabine River Authority Pump Station Project Supports Development in Orange and Newton County

(Orange, TX) The Sabine River Authority of Texas (SRA) is in the process of constructing a new modern pumping facility in Southeast Texas to ensure a reliable raw water supply for current and future customers in Orange and Newton County. The 85 million gallons per day (MGD) raw water pump station is being built in Newton County along the main stem of the Sabine River immediately downstream of Highway 12 near Deweyville. In addition to the pump station a new 7-mile, 66-inch diameter pipeline is being constructed to convey the raw water from the new pump station to SRA's existing John W. Simmons Gulf Coast Canal System (Canal System) in Orange County.

Initial plans for the new Gulf Coast Division Pump Station and Pipeline began in 2011. The existing Gulf Coast Division Pump Station is over 85 years old and has experienced electrical and mechanical equipment failures which have caused the loss of 50% of its original pumping capacity. Additionally, natural changes to the river at Cutoff Bayou have reduced the availability of water and the overall reliability of water supply to the existing Pump Station. The new Gulf Coast Division Pump Station, located 10.5 miles upstream of the existing facility, will initially house three, 750horsepower,42-inch diameter vertical turbine pumps and will have space for five additional pumps to meet future development demands. The proposed pipeline is being constructed within a right-of-way acquired by SRA as part of the project. The alignment for the pipeline was carefully selected to eliminate the need for acquiring a single structure and to minimize impacts on landowners.



Pump Station Pipeline Route from Newton to Orange County

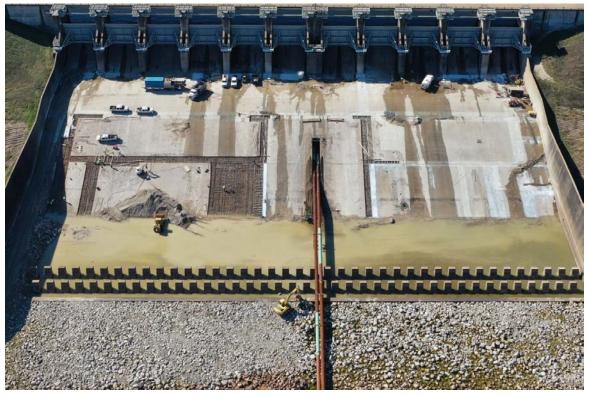
The new facility is funded by a \$75 million loan through the State Water Implementation Fund for Texas (SWIFT) as administered by the Texas Water Development Board and will be repaid from SRA's raw water industrial customers located in Orange and Newton County. Construction of the new pump station and conveyance system is expected to be completed by the end of 2020 and will provide raw water supplies for both existing customers and new customers for the future development of Orange and Newton County.

Spillway Repairs Complete at Toledo Bend Reservoir

(Burkeville, TX) Repairs at the Toledo Bend Reservoir to replace rock rip-rap downstream of the project spillway are complete. The Toledo Bend Reservoir is owned and operated by the Sabine River Authority of Texas and the Sabine River Authority, State of Louisiana (the Authorities). During the historic March 2016 rainfall event the 48-inch diameter rock rip-rap immediately downstream of the Toledo Bend spillway was displaced thereby necessitating the need for it to be completely removed and replaced with larger 66-inch diameter rock rip-rap. Additionally, during the event the concrete surface of the spillways experienced spalling requiring removal of sections of concrete by hydro-demolition and subsequent replacement.

Plans and specifications for the repairs, prepared by the Authorities Consulting Engineer and approved by the Federal Energy Regulatory Commission (FERC), contemplated the need to hold the reservoir at or near 168 feet mean sea level (msl) during construction by releasing water through hydro-generators until the project was complete. Construction on the spillway repair project began in September of 2018 but was suspended in December of 2018, due to a wet winter resulting in opening the spillway gates to pass through rainfall and runoff flowing into Toledo Bend. The spillway releases damaged parts of the project including a partial washout of the temporary cofferdam that was constructed and delayed completion.

Although the Contractor was authorized to return to work in March of 2019, the project was again suspended in May of 2019 due to a second spillway release. In April of 2019, FERC directed the Authorities to expedite completion of the project and authorized a drawdown of Toledo Bend to facilitate expeditious completion of the project. Intentional drawdown of the reservoir through hydro-generation in support of the spillway repair project continued over the next several months until August 19, 2019. During this time construction continued, and the project was substantially completed in December of 2019.



TB Spillway showing concrete removed by hydro-demolition and recently placed concrete

Although the project took longer than expected due to weather conditions, lower lake levels provided a good opportunity for residents along the shoreline to inspect and make necessary repairs to boathouses, piers, retaining walls and related structures since it had been several years since a significant drawdown had occurred.

Created by the Legislature in 1949, the Sabine River Authority of Texas is an official agency of the State of Texas. The Authority was created as a conservation and reclamation district with responsibilities to control, store, preserve, and distribute the waters of the Sabine River and its tributary streams for useful purposes.