

Plainsandeastern

From: CC Callahan <cynthia.callahan.11@gmail.com>
Sent: Saturday, June 20, 2015 12:55 PM
To: Plainsandeastern
Subject: PLAINS & EASTERN CLEAN LINE TRANSMISSION LINE - PART 2 APPLICATION
Attachments: DOE 1222 Financial Viability.docx

See Attachment for Public Comment

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Cynthia

Cynthia Callahan
Pope County
London, AR 72847
May 25, 2015

Dept of Energy Section 1222
Clean Line Energy Partners (CLEP)—Plains and Eastern Clean Line Application.

Dear Secretary Moniz,

Financial viability

A merchant project that depends purely on economics for its purpose should be required to operate completely on an economic basis. If Landowner A requires 150% market value for property, then that is the cost of the transmission line because fair market value today does not compensate for future earnings the land owners is giving up! And what about the neighbors that loses without any compensation!!!

An economic project absolutely cannot rely on the power of the state to make itself profitable.

Venture capitalist care only about profit; they are not in it to provide services or goods, they are not in it be part of a local economy. They come in and 'develop' a project to make it look really good so they can sell it to the highest bidder and they are done, gone.

The resumes of the people developing this project reveal just this kind of operation. They started Zilkha Renewable Energy and held minority interests in two operating wind farms and sold it to Goldman Sachs and they renamed it Horizon Wind and then SOLD it to EDP for over 2 Billion dollars for the **Potential** it had. **Potential!** And, Portugal's government owns 20% of this company. There is US headquarters in down the street from Clean Line's in Houston.

These newly created LLC's can disappear just as quickly as they were created. All the promises and 'commitments' made by Clean Line can disappear when the project is sold. Trusting 14 LLC's created 10 years ago is risky. They can cut and run leaving everyone else holding the bag. They can evade prosecution. There are no Legally Binding agreements to support CL's promises of \$5 million annual payments to counties for infrastructure. SWPA is supposed to own all infrastructures according to the application and will be tax exempt. But CL still promises schools will receive funds because they are 'committed' to paying. Really? Does anyone really believe that? Where is the accountability? What is the legally binding? How can the LLC's be held to this promise? How can a future owner be held accountable for these committed payments? I'll tell you how- they won't be. Promising millions is easy when you know you won't ever have to pay it. And looking at their financial plans, where is the 60 million a year promised to AR going to come from? **Is the profit from this venture so great they can afford this?? If there is that much profit – the DOE should NOT grant Federal Eminent Domain for the company can afford to negotiate with LANDOWNERS rather than promise money to counties!** But there is still a big problem, this project doesn't just affect the landowners, their neighbors suffer harm with Zero compensation. AR tourism suffers harm with zero compensation. AR will be irreparably damaged, period. There is no greater good, no justification for this project dreamed up by people who have never been a utility let alone a transmission builder, owner or operator.

Bringing a foreign company to set up shop on the AR TN border for 70 jobs does not compensate the landowners and their neighbors on the path. Especially when AR tax dollars were given to the company from the state and the city of West Memphis, subsidies from us, the taxpayers. It does not make up for lost Tourism dollars, lost property value base to schools, lost revenue for the owners who have invested in land and make a living off their land. It could be considered another part of the transfer of wealth this project would cause. The landowners and their neighbors should not be forced to give any of their wealth to venture capitalists.

This isn't about wind, electricity, or the grid. None of that is needed as demonstrated by the real regional utilities assessment of this project. They have not asked for it and they do not want it. The CEO of the TVA now says he wants it as an option but the IRP doesn't value this option very highly but shelved it for years. **OK and AR land and economics cannot be sacrificed for an option!**

Sincerely,

Cynthia Callahan