

## Plainsandean

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**From:** Luis Contreras <docontreras@gmail.com>  
**Sent:** Wednesday, July 01, 2015 2:05 PM  
**To:** Plainsandean  
**Subject:** P&E Clean Line Part 2 - 1222: Summary of Comments opposing P&E  
**Attachments:** Comments to DOE P&E Part 2 Application Section 1222.docx

Dear Secretary Moniz,

Attached is a summary of my comments opposing P&E for your consideration.

Respectfully,

Dr. Luis Contreras

Summary of DOE comments P&E Clean Line Part 2 Section 1222

*Not green, not wanted, high-cost, not for Arkansas, and way too late*

Dr. Luis Contreras,

July 1, 2015

**1. Not a green line**

- a. Clean suggests the line would be dedicated to wind-power. Turns out, an average of 14 out of 24 hours per day, *60 percent of the time*, coal-power will be on the wires.
- b. Clean Line is not a utility. No one has seen a Clean Line. P&E management team has no experience building transmission lines.

**2. No demand for P&E high-cost power**

- a. The TVA Board, 2015 draft Integrated Resource Plan, based on least-cost energy, clearly shows TVA will not buy P&E low-value intermittent wind power. The wind blows when the wind blows.
- b. TN Senator Alexander's June 2015 letter says P&E is high-cost, high-risk, low-value energy.
- c. P&E does not have Power Purchase Agreements (PPA) with anyone.
- d. Clean Line does not understand the difference between demand and supply. Demand is created by end customers willing to buy energy. Michael Skelly is a promoter of wind generation with no experience with power transmission.
- e. P&E is a solution for an imaginary problem: there are no *idle* wind farms waiting for transmission. New turbines for 4,000 MW would cost \$21 Billion and 300,000 acres of land.

**3. P&E is at least a 10 year project**

- a. The P&E proposed project schedule is incomplete. It ignores the TVA Interconnection System Impact Study (ISIS) findings requiring upgrades to the TVA grid, an eight year project. ISIS anticipates additional upgrades to the systems, downstream estimating two additional years. Appendix 10-C has the details on ISIS.
- b. The Arkansas Converter Station is not included in the timeline.

**4. P&E is a not a \$2 Billion project**

- a. The redacted ISIS report hides the cost of TVA grid upgrades. P&E would have to pay the total cost of upgrades.
- b. P&E ignores the cost of ISIS upgrades in the Project Budget.

**5. No energy for Arkansas**

- a. The *mythical* Arkansas converter increases cost, lead-time and complexity to the project. The P&E story is inconsistent.
- b. The converter is excluded from the ISIS 10 year system upgrade project. ISIS is for unidirectional flow, for up to 3,500 MW. Service to Arkansas would require 4,000 MW; bi-directional flow may be needed to allow the SPP grid operators dispatch variable hourly power to Arkansas and TVA to match the hourly demand. There is no indication the details of an off-ramp have been taken into account.
- c. It is excluded from the Project Schedule, and there is no information on the time to build the station.
- d. Building it "later" is infeasible. Once a HVDC line is live, the last thing you would want is to be near the line, creating power outages when testing and "splicing" the line. The only opportunity to do this is during the construction of the line, with a new TVA ISIS study under a different process, as stated by TVA.
- e. It is shown as an option for DOE. Would DOE build and pay for the converter station?
- f. Adding the Arkansas Converter is only a response to APSC's denial of P&E utility status to traverse Arkansas.
- g. It is included in the P&E Budget at \$100 Million. The end of the line converter stations, are shown at \$300 Million each. The intermediate, custom converter with additional functionality would likely cost over \$300 Million.
- h. Low-cost energy is promised *unconditionally* to Arkansans, a false promise to get public support.

6. P&E has three percent of the 720 miles of voluntary easements
  - a. After two years and millions spent on advertising, promotion, and Office-Hour Meetings, P&E has easements for only 20 miles.
  - b. Why would landowners suddenly give perpetual, unlimited use easements after ignoring "offers" from P&E?
7. 100-foot wide easements are sufficient for one 3,500 HVDC Line
  - a. The main reason for expensive HVDC is to reduce the width of land easements.
  - b. The 2010 plan for 7,000 MW used 200-foot ROW for two 3,500 MW lines, side by side, built on two phases. Why would a single 3,500 MW line require the same easement as a two 3,500 MW lines?
  - c. What are the plans to build communications, pipelines, gas lines or anything P&E chooses to do inside their 200-foot wide, 720 mile easement, with perpetual rights and unlimited use?
8. Insufficient proof of financial backing
  - a. The revised Application Section 3.5.2 says, "Clean Line has Strong Financial Backing to Complete Development of the Project. The two largest shareholders in Clean Line are ZAM Ventures and National Grid USA." Then the Ziff Brothers and National Grid UK are discussed as the backers.
  - b. ZAM Ventures Limited Partnership is not Ziff Brothers. National Grid USA is not National Grid UK. Clean Line is not Plains and Eastern.
  - c. The same backers are used in the Grain Belt Express and the Rock Island Line with the Illinois Commerce Commission.

### References

Ziffs Shut Down Hedge Fund - Shift Way Wealth Is Managed, WSJ, May 28, 2014.

<http://www.wsj.com/articles/ziffs-shut-down-hedge-fund-shift-way-wealth-is-managed-1401319300>

P&E Clean Line DOE Section 1222 Comments

<http://www.energy.gov/oe/downloads/plains-eastern-clean-line-transmission-line-part-2-application-comments-received>