

The Honorable Lauren Azar  
Senior Advisor to the Secretary  
U.S. Department of Energy  
1000 Independence Avenue SW  
Washington, D.C. 20585

August 17, 2011

Dear Lauren,

With development efforts well under way, the Plains & Eastern Clean Line is positioned to help meet President Obama's call for 80% clean energy by 2035. The Plains & Eastern Clean Line will provide affordable, renewable power to millions of customers in the southeastern United States. Regulatory and permitting approvals at the state and federal levels are the critical path items. Since submitting a proposal in July 2010, the Plains & Eastern Clean Line has made substantial development progress, strengthening the case for a partnership with the Department of Energy (DOE) and Southwestern under Section 1222 of the Energy Policy Act of 2005.

The Plains & Eastern Clean Line team continues to work diligently on public outreach, spending considerable time and energy to ensure that Oklahoma, Arkansas and Tennessee view the project as a source of jobs, energy security, and opportunity. The attached document provides an update on our efforts, including the widespread support the project has received from a diverse group of stakeholders. It also supplements the original application with respect to how the project is necessary to accommodate the increase in demand for transmission capacity and how the project is consistent with needs identified in transmission plans or otherwise by the appropriate transmission organization.

Projects like the Plains & Eastern Clean Line have the potential to return the United States to a global leadership position in clean energy. The private sector has the resources and the desire to invest in our aging infrastructure and we respectfully ask that the DOE exercise its authority to make it possible.

We appreciate the attention you are giving the Plains & Eastern Clean Line. We will be in Washington, DC regularly in the coming months and would like the opportunity to sit down with you and your team to review the project materials and respond to any questions.

With thanks,



Michael Skelly  
President, Clean Line Energy

# PLAINS & EASTERN

## CLEAN LINE

UPDATE TO PLAINS & EASTERN CLEAN LINE PROPOSAL  
FOR NEW OR UPGRADED TRANSMISSION LINE PROJECTS  
UNDER SECTION 1222 OF THE ENERGY POLICY ACT OF 2005

AUGUST 2011

## Table of Contents

<b>1. Executive Summary .....</b>	<b>1</b>
<b>2. Project Update .....</b>	<b>2</b>
a. Jobs and Economic Development .....	5
b. Interconnection Studies.....	6
c. Routing and Public Outreach .....	7
d. State Regulatory Update.....	8
i. Oklahoma Corporation Commission .....	8
ii. Arkansas Public Service Commission.....	9
<b>3. Project Need and Demand.....</b>	<b>10</b>
<b>4. Transmission Planning.....</b>	<b>12</b>
<b>5. Conclusion.....</b>	<b>14</b>

### Appendices

Appendix 1, Governors' Wind Energy Coalition

Appendix 2, Agency, NGO and elected official meetings

Appendix 3, NRDC and Wilderness Society Letter

Appendix 4, Draft JEDA

## 1. Executive Summary

“Our grid right now cannot handle when renewable energy gets to be the same price as fossil energy without subsidies – which will happen...We need to concurrently develop this grid...”  
–Secretary of Energy Steven Chu, Renew Grid July 2011

In July 2010, Clean Line Energy Partners LLC (“Clean Line”) submitted a proposal (“Clean Line Proposal”) to the U.S. Department of Energy (“DOE”) and the Southwestern Power Administration (“Southwestern”) in response to the DOE’s Federal Register *Request for Proposals for New or Upgraded Transmission Line Projects Under Section 1222 of the Energy Policy Act of 2005*, 75 Fed. Reg. 32940 (June 10, 2010.) In September 2010, Clean Line submitted a second proposal for a partnership with DOE and Southwestern pertaining to the Grain Belt Express Clean Line (“Grain Belt”) from western Kansas to eastern Missouri. Clean Line continues to pursue development of the Grain Belt project and remains interested in the partnership. However, this Update will deal exclusively with the Plains & Eastern Clean Line project as outlined below.

The Clean Line Proposal for the Plains & Eastern Clean Line (the “Project”) requested a partnership with DOE and Southwestern to develop, construct, and operate two new overhead high voltage direct current (“HVDC”) transmission lines that will be capable of moving more than 7,000 MW of power from renewable projects in western Oklahoma, southwestern Kansas, and the Texas Panhandle to the service area of the Tennessee Valley Authority (“TVA”) and the southeastern United States. Development of these new lines will increase electric reliability and provide much needed transmission capacity to wind generators that will construct thousands of megawatts of new, cost-effective renewable electric generation capacity. This new generation capacity will create new jobs, stimulate domestic manufacturing, and lead to cleaner air and water.

Clean Line believes that we have a stronger case for a 1222 partnership today than we did when we submitted our proposal to DOE and Southwestern in July 2010. Since our submission, Clean Line has continued to develop the Plains & Eastern Clean Line and has achieved several development milestones. The Plains & Eastern Clean Line has cemented strong relationships throughout the project area. Hundreds of local leaders, companies, organizations, and individuals signed letters of support for the Plains & Eastern Clean Line. These stakeholders are eager to realize the economic and environmental benefits to their region and the additional funding for their local schools and hospitals. We have also made substantial progress on:

- state certifications in Oklahoma and Arkansas;
- interconnection and electric reliability studies with TVA and Southwest Power Pool (“SPP”);
- routing and permitting activities with state, federal, and local agencies and stakeholders.

In the course of conversations with Southwestern, Clean Line has sought to verify the eligibility of the Plains & Eastern Clean Line under two of the criteria established in Section 1222: 1) That it “is necessary to accommodate an actual or projected increase in demand for electric transmission capacity,” and 2) that it “is consistent with needs identified in a transmission expansion plan or otherwise by the appropriate transmission organization.”

This Update provides additional information since the date of the Clean Line Proposal that supporting the conclusion that the project meets these criteria.

The continued growth in demand for renewable power in the South and the transition away from higher polluting sources of generation attest to the logic for a project like the Plains & Eastern Clean Line. As we state in the Proposal, both the Joint Coordinated System Plan (“JCSP”) published in 2008 and the DOE-sponsored Eastern Wind Integration and Transmission Study (“EWITS”) completed in January 2010 identify the need for HVDC lines to accommodate the transfer of wind power from the Great Plains to eastern utilities. The limitations of the current planning process that FERC recognizes in its recent Order 1000 highlight the barriers for an inter-regional project to be explicitly included in current regional plans—in turn, strengthening the case for a federal role. In spite of this, we feel strongly that the Plains & Eastern Clean Line is consistent with needs identified in numerous transmission plans at the national level and regionally.

Transmission projects take 5-7 years, or longer, to complete the planning, permitting, and siting processes. If wind farms are to develop in the strongest wind areas and provide economical renewable energy to millions of Americans, DOE and Southwestern must be ready and willing to begin work with projects like the Plains & Eastern Clean Line. The critical transition to a cleaner energy economy is occurring today throughout the country and calls for a proactive approach. As the Governors’ Wind Energy Coalition notes in its July 2011 letter to President Obama, stalled transmission development imperils the significant strides made in renewable energy and risks declines in clean energy manufacturing. The letter specifically notes the critical role for Power Marketing Administrations, including the Western Area Power Administration and Southwestern. The July letter from the Governors’ Wind Energy Coalition is included as Appendix I.

As we discuss in detail in the Proposal, the Plains & Eastern Clean Line will enable the following benefits:

- 8,000 megawatts of new wind facilities that will not be built without new transmission;
- More than \$14 billion of investment in Oklahoma, Arkansas, Tennessee, Texas and Kansas;
- 10,000 direct construction jobs;
- More than 1,000 direct permanent jobs;
- Substantial orders for the wind energy and transmission manufacturing supply chain the United States;
- Reduction of 15 million tons of CO<sub>2</sub>; and
- Significant reductions in emissions of SO<sub>2</sub>, NO<sub>x</sub>, mercury and lore water usage.

As requested by DOE, Clean Line presented DOE and Southwestern with a draft Joint Evaluation and Development Agreement (“JEDA”) for the Plains & Eastern Clean Line in September 2010. The draft JEDA details the responsibilities and expectations of each party for the next 2-3 years of development. Clean Line will work with DOE and Southwestern to phase in the level of commitment required for the timely development of the project. The logical first task will be to start the long NEPA process, which is essential to the implementation of the project and in most scenarios the critical path schedule item. The draft JEDA addresses all development milestones and statutory requirements for a final 1222 partnership agreement. Clean Line is not requesting that any right-of-way acquisition or construction activities take place until the NEPA Record of Decision is complete and the Secretary of Energy approves the final partnership agreement. Clean Line intends to pay the costs of all parties to ensure there is no impact on taxpayers or Southwestern customer rates. Clean Line is eager to begin discussions on how to best

proceed on the draft JEDA and minimize risk to Southwestern and DOE. The draft JEDA is attached as Appendix 4.

## 2. Project Update

### a. Jobs and Economic Development

The Plains & Eastern Clean Line has completed the first of many agreements that will ensure hundreds of jobs will remain in the project area and will further the clean energy economy in Oklahoma and Arkansas.

In March 2011, Clean Line Energy and General Cable (<http://www.generalcable.com/>) signed an



agreement to source all bare overhead transmission conductor for the Plains & Eastern Clean Line from General Cable's facility in Malvern, Arkansas. General Cable is a worldwide leader in electrical wire and cable.

The order is expected to require approximately 25 million feet of high voltage aluminum, steel-supported conductor whose value could exceed \$100 million and would take approximately two years to produce. The Malvern plant currently employs 152 associates, represented by the United Steel Workers of America.

Maria Haley, Executive Director of the Arkansas Economic Development Commission, said of the agreement between Clean Line and General Cable: "The Plains & Eastern Clean Line brings economic growth and new jobs for Arkansans. I am pleased to see Clean Line and General Cable partnering to stimulate the manufacturing industry in Arkansas through new opportunities for wind energy in the region."

In June 2011, Clean Line signed a Memorandum of Understanding (MOU) with Pelco Structural (Pelco) (<http://www.pelcostructural.com/>) of Claremore, Oklahoma.

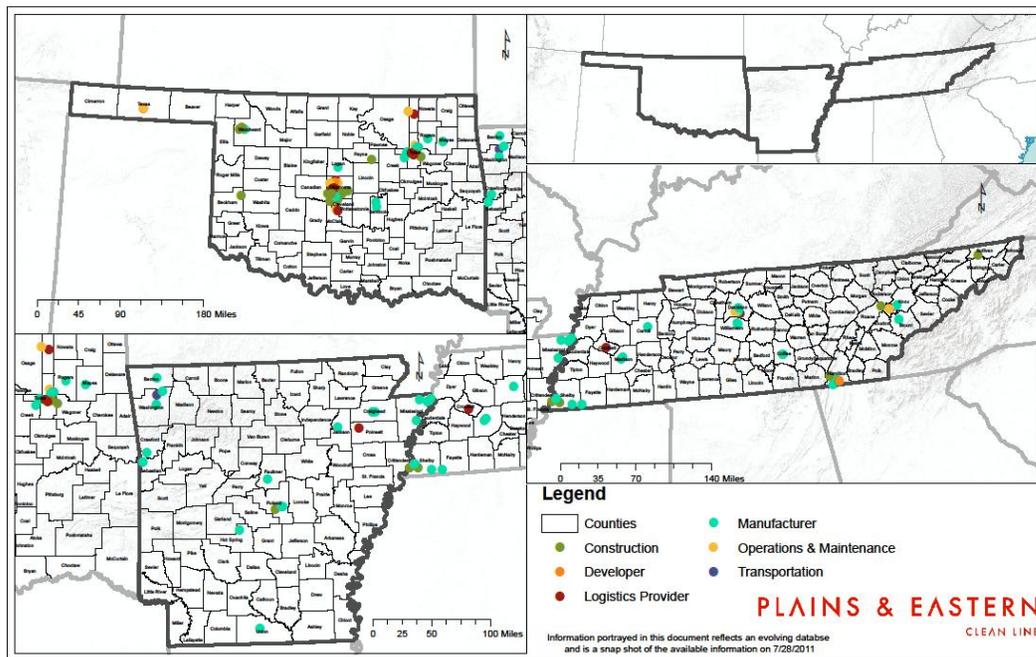
Pelco has over 40 years of experience in the marketing, designing, and manufacturing of tubular steel transmission structures and will be a preferred supplier for the Plains & Eastern Clean Line. Under the MOU, Pelco will supply structures from its Claremore facility that employs approximately 100 Oklahomans and has 192,000 square feet of manufacturing and warehouse space. This supply order could be worth \$300 million or more depending on commodity prices and the number of structures purchased.



Oklahoma Secretary of Commerce, Dave Lopez, lauded the agreement saying, "...We applaud Clean Line's efforts to ensure local benefits and for its commitment to local suppliers."

By providing jobs, opportunities to local firms, and significant tax revenues, the Plains & Eastern Clean Line will provide broad economic growth throughout the states in the project area and beyond. In keeping with our commitment to local sourcing, Clean Line recently identified over 100 businesses involved in the wind energy and transmission supply chain located in Oklahoma, Arkansas, and Tennessee alone. We will reach out to these businesses as we procure materials and labor for our project. Clean Line consulted national databases, as well as state and local information sources, to compile our wind energy and transmission supply chain database, summarized below in Figure 1.

Figure 1: Wind Energy and Transmission Supply Chain Map in Oklahoma, Arkansas, and Tennessee



Source: Clean Line Energy Partners, as of August 15, 2011

#### b. Interconnection Studies

The Tennessee Valley Authority (“TVA”) and Entergy Services Inc. (“Entergy”) completed feasibility studies for the Plains & Eastern Clean Line before the submission of the Proposal. Currently, TVA is performing a System Impact Study for Clean Line’s generation requests at two alternative points of interconnection. The thermal reliability analysis is complete and fault and stability studies are expected to be completed in September. The analysis TVA is conducting will result in the identification of system upgrade requirements necessary to reliably interconnect Plains & Eastern Clean Line to the TVA 500kV system. These studies are precursors to an eventual Interconnection Agreement with TVA.

As part of the TVA System Impact Study, Memphis, Light, Gas and Water (“MLGW”) and Entergy are also performing affected system studies. The affected system studies are required due to the electrical proximity of the interconnection of Plains & Eastern Clean Line to these systems. The results of these studies will verify whether there are transmission upgrades needed due to the interconnection of Plains & Eastern Clean Line into the TVA system and estimates on cost and schedule to build these upgrades. Scoping for these studies is expected in the coming months.

In consultation with SPP and its members, Clean Line is conducting studies under SPP’s Criteria 3.5. On April 13, 2011, Clean Line, and SPP executed a Transmission System Study Agreement for these studies. The SPP study work is being conducted in order to ensure that the Plains & Eastern Clean Line can reliably interconnect to the SPP system near the Project’s western terminal. Included in these analyses will be the study of major contingencies and their steady state and stability impacts to SPP and the surrounding region. The study was scoped out with affected parties including SPP, the SPP Transmission

Working Group, TVA, Midwest ISO staff, as well as Oklahoma Gas & Electric (“OGE”), Xcel Southwestern Power Service, and Westar.

Clean Line continues to meet with TVA, SPP, and other companies that are affected to ensure that the proposed line will be reliable and will comply with NERC and regional mandatory reliability rules and will be operated in accordance with good utility practices.

### C. Routing and Public Outreach

Clean Line is committed to a transparent and proactive public outreach program as an integral component of the development process. The Plains & Eastern Clean Line team continues to engage multiple organizations, individuals, and leaders throughout the project area and has been an active supporter of community programs in several areas in Oklahoma and Arkansas. A summary of recent activities can be found in the May project newsletter which is posted on line [here](#). In addition to detailed information on the project purpose, schedule and benefits, the project website (<http://www.plainsandeasterncleanline.com>) invites comments from all interested stakeholders. Clean Line personally responds to all comments made via the website and through our toll-free phone line and keeps a record of comments for inclusion in considerations on routing and other critical decisions.

Clean Line continues to do substantial work to designate a primary study corridor, leading to a preferred potential route. Earlier this year, we held a series of Pre-Design workshops with state and federal agencies in the project area, as well as with non-governmental organizations focused on conservation and wildlife management. Summaries of these workshops are attached as Appendix 2.



Inter-Agency Pre-Design Workshop  
Little Rock, February 2011

Clean Line held one-on-one meetings with county officials in more than 30 counties in Oklahoma, Arkansas and Tennessee where the transmission line is likely to be sited. Clean Line representatives met with state and regional organizations throughout the project area to educate stakeholders and gather input. Local needs and plans, agency preferences, NGO programs, and other significant data points are being incorporated into our selection of a primary study corridor. This corridor will be approximately five miles wide and will provide opportunities to designate several potential routes.

Clean Line has an ongoing dialogue about the project with multiple conservation organizations. In addition to working directly under contract with The Nature Conservancy in Arkansas and Oklahoma, Clean Line met with Sierra Club of Central

Arkansas, Land Legacy of Oklahoma, Audubon Arkansas, Wildlife Federation, the Southern Alliance for Clean Energy, and others to gather feedback about the development and siting process. Many of these organizations are very supportive of Clean Line’s efforts to provide access to substantial wind energy to the southeastern US. Several supported Clean Line’s applications in Arkansas and Oklahoma. In a letter dated June 10, 2011 to the Secretary of Energy, The Natural Resources Defense Council and the Wilderness Society requested that the DOE utilize its existing authority under section 1222 to “advance

needed new lines that primarily service new renewable energy generation and are sited in a manner that protects our wildlife and wild lands.” The letter is attached as Appendix 3.

Clean Line continues to meet with state legislators, members of the governors’ teams, and federal congressional delegations from Oklahoma, Tennessee and Arkansas regularly to provide consistent updates on the Project. The prospect for jobs, cleaner air, and increased domestic energy production are consistent topics of concern to these stakeholders.

The next step in our outreach and routing work will include county-by-county workshops with community leaders. These forums will allow for discussion of the primary study corridor with local leaders in a constructive and interactive atmosphere. After the workshops, Clean Line will host public open houses to gather feedback on the preferred and alternative routes from landowners and other affected parties.

These outreach efforts are designed to assure that relevant stakeholders have early and multiple opportunities to provide feedback and that Clean Line is able to identify significant routing issues before formal permitting begins. This process will be on-going and will ensure a substantive and complete NEPA public scoping process.

d. State Regulatory Update

Since 2010, Clean Line has actively pursued state siting authority in Oklahoma and Arkansas. Clean Line also expects to make a filing in Tennessee in the future.

i. Oklahoma Corporation Commission

Plains & Eastern Clean Line applied to become a public utility in Oklahoma in June 2010. In February 2011, a hearing on the application was held before Judge Jacqueline Miller, the Administrative Law Judge (ALJ), and the Oklahoma Corporation Commission (OCC.)

Clean Line’s case originally had 10 interveners, including the Oklahoma Independent Petroleum Association, the Coalition of Surface and Mineral Owners, and SPP. After much hard work and negotiation, Clean Line reached a stipulation agreement with all the interveners except OGE. The Attorney General and the Public Utility Department staff of the OCC both supported Clean Line’s application. Clean Line and two parties representing property owners reached an agreement in a private settlement in which Clean Line committed to specific actions in order to address property rights concerns. Clean Line also provided the OCC with a Code of Conduct that dictates that Clean Line employees and contractors must treat landowners in a fair and respectful manner. You can read the Code of Conduct [here](#).

During the four days of public comment at the OCC hearings, more than 40 Oklahomans voiced their support for the Plains & Eastern Clean Line, many of whom traveled hundreds of miles to do so. State Representative Gus Blackwell, who represents District 61 and all of the three counties in the Oklahoma Panhandle, presented public comment in favor of the project. County commissioners, superintendents, wind developers, mayors, town administrators, and local ranchers and business owners submitted over 750 pages of letters, emails, phone calls, and faxes to the OCC in support of Plains & Eastern Clean Line’s application. These are available [here](#) (Case # 201000075, Case Type: PUD).

On June 30, 2011, Judge Miller made her legal recommendation that Plains and Eastern Clean Line Oklahoma LLC be granted public utility status in the State of Oklahoma to build, own, and operate electric transmission services. Judge Miller recommends that the OCC approve the Stipulation Agreement and grant Clean Line authority to operate as an electric transmission-only public utility providing wholesale bulk electricity transmission services within the State of Oklahoma.

The Judge's full report and recommendation can be reviewed [here](#). The full Commission is expected to issue a ruling later this year.

ii. Arkansas Public Service Commission

Plains & Eastern Clean Line's application for a Certificate of Public Convenience and Necessity (CPCN) to the Arkansas Public Service Commission (PSC) is a prime example of why we are pursuing federal siting authority through the DOE's Section 1222 authority in order to make the Plains & Eastern Clean Line a reality.

An application for a CPCN to consider Plains and Eastern Clean Line LLC a public utility in Arkansas was submitted in May 2010, with the hearing before the Arkansas PSC held in December 2010. While support for Clean Line came from a variety of sources ranging from county judges and state leaders to Arkansas manufacturers, the Arkansas PSC did not approve Plains and Eastern Clean Line's application for a CPCN. The request for the CPCN dealt with the question of whether the applicant should be considered a public utility in Arkansas. Under Arkansas law, a separate process for a Certificate of Environmental Compliance and Public Need (CECPN) is required for the siting of any major utility facilities, including high voltage electric transmission lines.

The Arkansas PSC order denied the Plains & Eastern Clean Line application without prejudice. The Order states:

The difficulty the Commission now faces is that the law governing public utilities was not drafted to comprehend changes in the utility industry such as this one—where a non-utility, private enterprise endeavors to *fill a void in the transmission of renewable power that is much needed but for which the Commission is unable to afford any regulatory oversight...* [T]he Commission's decision is based on that fact that it cannot grant public utility status to Clean Line based on the information about its current business plan and present lack of plans to serve customers in Arkansas.

In addition, the Arkansas PSC noted, in agreement with Clean Line's position, that, "there is some circularity involved in the fact that Clean Line cannot own or operate regulated major utility facilities pursuant to Arkansas law in this state without first being declared a public utility." The Order and the other documents in the filing can be read [here](#).

Subsequent to the PSC order, Clean Line sought guidance from the Commission members and staff as to how it might fulfill the statutory requirements. We are working to address the requirements in order to return to the Arkansas PSC in the future for utility status and eventually a CECPN.

Although it is preferable to work at the state level for regulatory approval when developing long distance, high voltage transmission lines, state laws and administrative codes can present barriers to development due to the inability to "fit" interregional projects like the Plains & Eastern Clean Line into the existing regulatory framework. Section 1222 has a strong role to play in remedying such situations.

### 3. Project Need and Demand

As we stated in the Proposal, the SERC region will grow by 1.69% per annum over the next 10 years. Economic and manufacturing growth in this region is projected to outpace the national average. The Southeast's current mix of electric generation is heavily weighted toward coal-fired generation sources. However, many of these existing and aging units are being considered for retirement due to new EPA regulations. Realistically, there are three viable, scalable options for these load-serving entities when considering new generation resources: nuclear, natural gas, and wind power. Nuclear presents very high financial requirements and daunting construction challenges, among other risks. Natural gas technology exposes utilities and their customers to appreciable commodity price volatility. Economical wind energy is an essential part of the mix to offset these risks, but due to local conditions it cannot be a major contributor to the SERC region without transmission solutions that address deliverability.

Since our application, the trend toward lower wind energy prices continued. Wind power generators of the Great Plains, including western Oklahoma and western Kansas, executed contracts or sold assets with energy prices equivalent to \$28-35 per MWh. These prices are lower than any other renewable energy resource in the United States and are substantially below the avoided costs of TVA and utilities in the southeastern United States. Due to competitive pressures and confidentiality, the prices for many recent wind PPAs are not publicly available. However, the DOE 2010 Wind Technologies Market Report (published in July 2011) contains references to contracts in the \$20-40 range, mostly in Texas and the Heartland regions. OGE completed their purchase of a 227 MW wind farm located in Dewey County, Oklahoma from RES Americas in 2010. In their filing with the OCC, OGE calculates a levelized cost of energy from the facility of \$37.50 per MWh.<sup>1</sup> As we note below, Alabama Power negotiated a long term PPA with a project in western Oklahoma with an all-in cost over the life of the contract below the utility's avoided cost.

Due to declining costs of wind power in western SPP and our preliminary construction cost estimates, Clean Line estimates that the Plains & Eastern Clean Line could deliver wind energy to TVA for an all-in, fixed cost of \$50-60 per MWh. This cost places imported wind energy in a competitive position vis-à-vis other renewable *and* fossil fuel resources.

The Clean Line Proposal contains information on the tremendous wind resources under development in the area centered near Texas County, Oklahoma. Multiple companies continue to invest development resources to prove the strength of the wind resource, gather rights for the construction of new wind turbines, and establish the ability to transmit wind-generated power to wholesale customers. To date, none of these companies have commenced construction on projects in the Oklahoma Panhandle. Based on the SPP Large Generator Interconnection Agreement queue, there were more than 11,000 MW of wind projects in the generation interconnection queue within 120 miles of the Hitchland substation, just a few miles southwest of Guymon as of August 11, 2011. In September 2010, Clean Line hosted a seminar for wind generation developers interested in the Plains & Eastern Clean Line. More than 15 companies with development activities in the panhandle region attended.

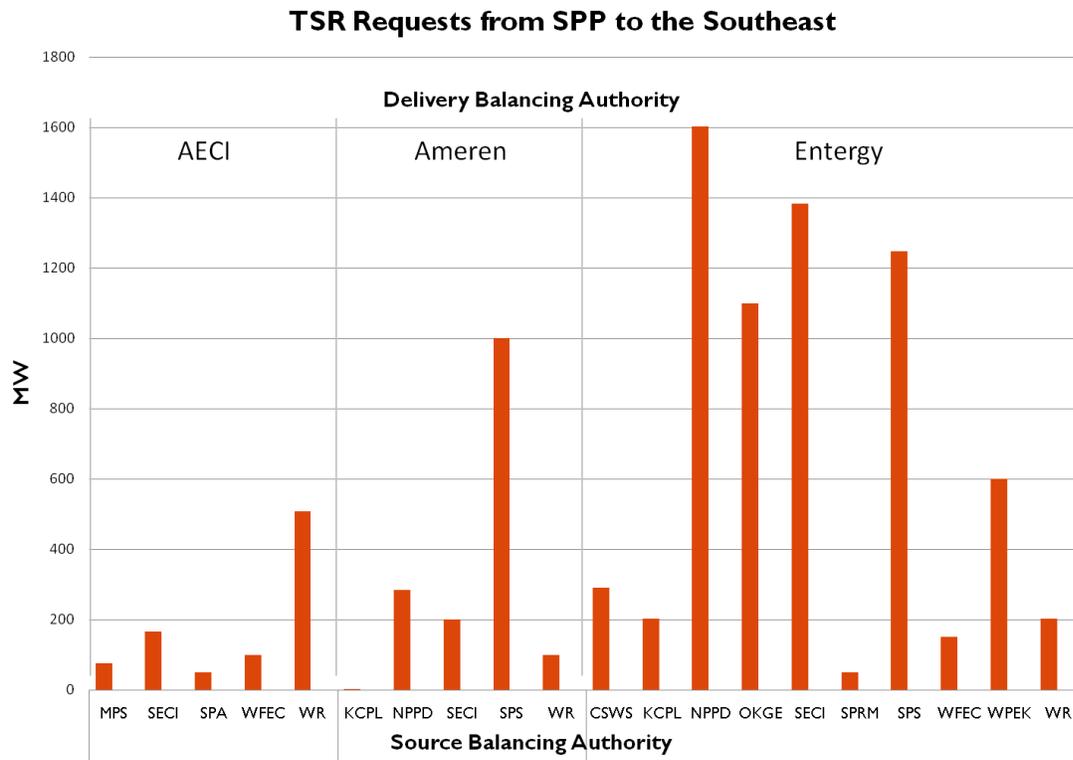
Transmission Service Requests ("TSRs") in SPP also evidence a significant demand to transmit power generated in western SPP to regions east of SPP. Since the great majority of new generation in SPP is wind power, a significant portion of these requests likely come from wind generation projects which are

---

<sup>1</sup>Application of Oklahoma Gas & Electric CO., Docket No. PUD 20100037 (April 8, 2010).

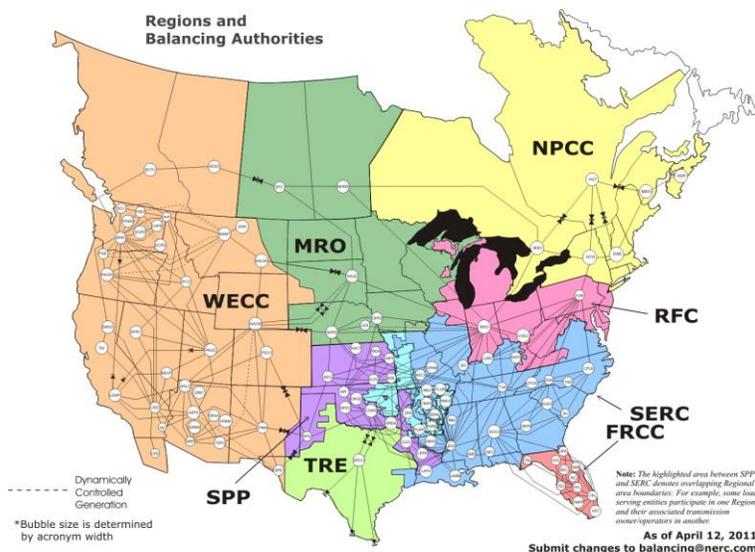
searching for a way to reach markets east of SPP. Figure 2 below illustrates that as of August 12 there are more than 9300 MW of TSRs from western SPP regions to balancing authorities east of the SPP footprint. More specifically, there are more than 4,600 MW of TSRs from balancing authorities in proximity to the Plains & Eastern Clean Line’s western terminal to the Entergy Services Inc. balancing authority.

Figure 2: Transmission Service Requests from SPP to “the Southeast”



Source: SPP Large Generator Interconnection Queue

Figure 3: NERC Regions and Balancing Authorities



Source: NERC

Multiple rules proposed by the EPA on air pollution, including those covering SO<sub>2</sub>, NO<sub>x</sub>, mercury and other contaminants, will have far reaching impacts on the operation of the electric generating fleet in the South. The Cross-State Air Pollution Rule (“CSAPR”) was finalized by the EPA on July 6, 2011. It will require 27 states to regulate and reduce power plant emissions contributing to ozone and fine particle pollution in other states. The Maximum Achievable Control Technology (“MACT”) rule was proposed by the EPA on March 16, 2011 to regulate emissions of hazardous air pollutants for plants emitting certain particulates and to prescribe a technological solution for offending power plants. In 2010, 40% of total electric energy generation in SERC was produced from coal. TVA generated 74,600 MWh from coal in 2010, equivalent to 51% of its total generation. Partly in anticipation of the new EPA rules, and in order to satisfy certain agreements with state governments and other parties, TVA announced in August 2010 that it would shut down units comprising 1000 MW of coal-fired generation. In a recent statement, Southern Company stated that proposed EPA rules would impact 60% of its coal-fired generation fleet<sup>2</sup>. As utilities retire existing coal-fired generation units, there will be an increasing need to replace these sources with clean and economical new sources.

In June, Alabama Power filed a request for a CCN with the Alabama Public Service Commission (“Alabama PSC”) to purchase energy from Chisholm View, a 202 MW project proposed in Garfield and Grant Counties, Oklahoma. Alabama Power states in its request that it is a prudent and reasonable step to procure renewable power in order to increase the portion of their generation from renewable sources in a cost effective way. In testimony filed on behalf of Alabama Power, the Director of Forecasting and Resource Planning states: “...the price for capacity and energy under the PPA is below the Company's projected avoided costs.....and thus the contract can be expected to place downward

<sup>2</sup> SNL, *Southern Co.: EPA rules will lead to coal plant closures, threaten reliability* (August 5, 2011), available at <http://www.snl.com/interactivex/article.aspx?ID=13134254&KPLT=2> (last visited Aug 17, 2011).

pressure on customer rates.”<sup>3</sup> In its application, Alabama Power emphasizes that the Chisholm View project “requires the procurement of transmission to effectuate energy delivery of the project’s output through Entergy and SPP balancing authority areas. Accordingly, the actual guaranteed energy deliveries ultimately are a function of the amount of transmission service procured.”

In December 2008, TVA issued a Request for Proposals for renewable energy. TVA received strong interest in this process and ultimately contracted 1265 MW of installed capacity from wind generation located in areas west of TVA’s service territory. As is the case with the Alabama Power PPA from Chisholm View, the TVA wind procurement relies on obtaining transmission rights on the current transmission system for delivery. At the Tennessee Valley Authority Board of Directors Meeting in February 2010, TVA President and Chief Executive Officer Tom Kilgore said that deliverability was a key concern in both present and future wind contracts. He elaborated that “[w]e have to go through both environmental and contract considerations to determine how we can best deliver wind generation to the valley... So we have to have the contract path lined up and we have to know that that will get to the valley.”

The February 2010 Board presentation classifies deliverability of wind generation as a “hard spot” for TVA. Limitations of the existing AC grid are affecting deliverability under TVA’s existing wind PPAs and will be a major concern in future wind purchases.

TVA’s Board of Directors approved the Integrated Resource Plan in April 2011 that included new renewable purchases. In the IRP’s analysis of scenarios, it notes that “Improvements in transmission system devices to manage power flows and advancement in dc line technologies will be needed to facilitate power transfers and the import of additional wind-sourced power”.<sup>4</sup> The IRP further states that, “[r]enewable generation above existing wind contracts plays a key role in future resource portfolios.”<sup>5</sup>

#### **4. Transmission Planning**

Section 1222 of the 2005 Energy Policy Act requires that projects be consistent with “transmission needs identified, in a transmission expansion plan or otherwise, by the appropriate Transmission Organization.”<sup>6</sup> The Plains & Eastern Clean Line addresses needs that are identified in several plans and is consistent with existing Regional Transmission Organization (“RTO”) and inter-regional plans.

The Clean Line Proposal presents the results of the 2008 Joint Coordinated System Plan (JCSP) and how the Plains & Eastern Clean Line is consistent with that plan. In particular, the plan included HVDC lines to relieve congestion from wind generation in western SPP and to transmit that power to SERC. The JCSP arose out of the mandated FERC Order 890 requirements and was approved by all participants.

In addition, other regional planning efforts including the SPP EHV Overlay Study, June 2007, the SPP 2008 Strategic Plan, and the 2010/11 Southeast Inter-Regional Participation Process (“SIRPP”) evaluate the capabilities of the transmission system to accommodate large transfers of power from the SPP into the SERC region. The Proposal also discusses the EWITS study, a DOE backed initiative in which

---

<sup>3</sup> Application of Alabama Power Co., Docket No. 31653 (June 10, 2011).

<sup>4</sup> Tennessee Valley Authority Integrated Resource Plan, March 2010, at page 140.

<sup>5</sup> *Id.* at 151.

<sup>6</sup> Energy Policy Act of 2005, (a)(2)(A) § 1222 (2005).

several transmission organizations participated, and how Plains & Eastern Clean Line is consistent with that planning effort that specifically identified HVDC lines to transmit large volumes of wind energy from the western part of the Eastern Interconnection to the East.

Clean Line and TVA have worked under an MOU for the Plains & Eastern Clean Line dated October 2009 to ensure that the Project meets needs identified by TVA and regional planning entities. Clean Line and TVA are in discussions to extend the MOU that calls for further cooperation on studying the Project and ensuring compliance with TVA's requirements.

Given that RTOs create and execute transmission plans for their footprint area only, it is virtually impossible for an inter-regional, non-incumbent sponsored project like the Plains & Eastern Clean Line to be explicitly included in such a plan. This is especially true for an HVDC line with only one point of interconnection in an RTO footprint. In the case of SPP, the RTO's regional transmission plans do not identify any projects going outside the SPP footprint. SPP's plans do, however, identify particular needs—relieving interconnection queue congestion, providing reliable transfer out of SPP West, and facilitating wind exports to the Southeast—that Plains & Eastern does address.

In January 2011, SPP's Board of Directors approved its first twenty-year Integrated Transmission Plan (ITP20). SPP's goals as stated in the ITP20 are to “better position SPP to proactively prepare for and respond to national priorities,”<sup>7</sup> integrate west to east transfers, and support the Generation Interconnection queue. The Plains & Eastern Clean Line helps SPP meet these goals by providing an efficient link from the wind rich regions of the Oklahoma panhandle within the SPP footprint to regions in the eastern U.S. that do not have access to such high quality wind resources.

In ITP20, SPP also acknowledges that, in addition to positive Adjusted Production Cost savings, qualitative improvements are also part of this plan including many aspects that are germane to the Plains and Eastern Clean Line. Some of these qualitative improvements are listed below along with how the Plains and Eastern Clean Line also meets the spirit of these improvements.

**Increase System Reliability** – Plains & Eastern allows the direct transfer of 7,000 MW of wind energy that would otherwise not be able to be transmitted without very significant AC infrastructure. The Project also provides an opportunity for SPP to request power from TVA in cases of emergencies (e.g. forced outages and supply shortages).

**Anticipate Export Opportunities** – Plains & Eastern is, by design, an export project designed to transmit newly developed wind energy from SPP to utilities in the eastern U.S.

**Broaden Resource Siting Options** – Plains & Eastern supports the development of new wind energy sources in parts of the SPP footprint that do not have access to high-voltage transmission infrastructure.

**Value Cleaner Air** – Plains & Eastern helps displace older, less environmentally friendly thermal resources, and helps obviate the need for continued reliance on fossil-fuel fired generation for future needs.

---

<sup>7</sup> Southwest Power Pool Integrated Transmission Plan 20-Year Assessment, January 26, 2011, at page 7, available at [http://www.spp.org/publications/ITP20\\_Report\\_01-26-11.pdf](http://www.spp.org/publications/ITP20_Report_01-26-11.pdf) (last viewed Aug 17, 2011).

**Reduce Risk through Responsible Land Usage** – Plains & Eastern is being developed as a HVDC line which has narrower right-of-way requirements than AC lines that are sized to transmit an equivalent amount of power.

**Increase Efficiency with Reduced Transmission Losses** – HVDC lines have 50 to 70% less losses than equivalently sized AC lines.

SPP's analysis indicates that a wind resource penetration beyond 12GW in the SPP footprint requires technical capabilities that cannot be met with a 345 kV line network. In the ITP20, SPP recommends a more robust transmission solution for wind levels beyond 12GW.

SPP's current Generation Interconnection Queue includes over twice the 12GW threshold that SPP cites as a technical threshold. Plains & Eastern Clean Line can assist SPP with increasing development of wind resources and relieve the backlog in the interconnection queue.

In Order No. 1000, FERC recognizes that the regional nature of cost allocation itself tends to work against the inclusion of inter-regional projects. At present, the benefits of proposed transmission projects are calculated over a specific, regional geographic area. Areas within regional grids at the edges or near the seams of an RTO tend to be neglected and weak.

Projects like the Plains & Eastern Clean Line figure prominently in the major eastern interconnection studies to date: the JCSP and EWITS. Plains & Eastern Clean Line also is consistent with needs identified in multiple SPP transmission plans, as well as other planning efforts like the SIRPP, and a high renewables scenario for TVA in their IRP.

## **5. Conclusion**

Since April 2009, Clean Line has developed the Plains & Eastern Clean Line. During that time, through hundreds of meetings and multiple studies and agreements, our development team has confirmed that the project's rationale—to efficiently transport thousands of megawatts of competitively priced clean energy from rich resource areas in the Great Plains to the Southeast—makes fundamental economic sense. The project enjoys substantial public support across a broad geographic area and diverse stakeholders.

The Plains & Eastern Clean Line at this time faces a critical juncture. A partnership under Section 1222 will provide vital support and allow the timely development of a project that will deliver tremendous positive impacts.



Governors'  
**Wind**  
**Energy**  
Coalition

2200 Wilson Boulevard, Suite 102-22  
Arlington, Virginia 22201-3324  
Phone 402 651-2948  
[www.GovernorsWindEnergyCoalition.org](http://www.GovernorsWindEnergyCoalition.org)

**Rhode Island**

Gov. Lincoln Chafee  
Chairman

**Iowa**

Gov. Terry Branstad  
Vice Chairman

**Arkansas**

Gov. Mike Beebe

**California**

Gov. Jerry Brown

**Colorado**

Gov. John Hickenlooper

**Florida**

Gov. Rick Scott

**Hawaii**

Gov. Neil Abercrombie

**Illinois**

Gov. Pat Quinn

**Kansas**

Gov. Sam Brownback

**Kentucky**

Gov. Steve Beshear

**Maine**

Gov. Paul LePage

**Maryland**

Gov. Martin O'Malley

**Massachusetts**

Gov. Deval Patrick

**Michigan**

Gov. Rick Snyder

**Minnesota**

Gov. Mark Dayton

**Montana**

Gov. Brian Schweitzer

**New Mexico**

Gov. Susana Martinez

**North Dakota**

Gov. Jack Dalrymple

**Oklahoma**

Gov. Mary Fallin

**Oregon**

Gov. John Kitzhaber

**Pennsylvania**

Gov. Tom Corbett

**South Dakota**

Gov. Dennis Dugaard

**Washington**

Gov. Christine Gregoire

**West Virginia**

Gov. Earl Ray Tomblin

July 20, 2011

The Honorable Barack Obama  
President of the United States  
The White House  
Washington, DC 20500

Dear Mr. President:

The Governors' Wind Energy Coalition was formed to address some of the nation's most pressing needs — jobs, energy, and economic development — through the use of domestic renewable energy resources.

As a bipartisan group of 24 governors from diverse regions of the nation, we share a common interest in the development of the nation's wind energy resources — an interest that you share with us. Unfortunately, deployment-focused legislative actions and administrative initiatives have stalled. Although tax credits for wind energy have long enjoyed bipartisan support, they are scheduled to expire next year. Wind-related manufacturing will slow if the credits are not extended, and some of the tax credit's benefit will be lost if Congress pursues a last minute extension. It is important to have consistency in policy to support the continued development of wind manufacturing in the United States. Extending the production tax credit and the investment tax credit, without a gap, is critical to the health of wind manufacturing in our nation. The wind manufacturing industry in the U.S. would benefit even greater if the extension of these credits would be for at least 7 years.

In this difficult legislative environment, it is critical that executive agencies focus on the deployment of today's wind energy resources. We believe that there are specific executive actions that your Administration can take today to further the development of wind energy.

We respectfully ask you to act quickly to address the following concerns and help advance the nation's wind energy development and economic potential:

- ***Establish a combined intergovernmental state-federal task force on wind energy development.*** This high-level task force, led by the Council on Environmental Quality, with participation by the U.S. Department of Energy (DOE), U.S. Department of the Interior (DOI), U.S. Department of Commerce, and governors' coalition representatives, would be charged with expediting deployment activities. The task force would coordinate development activities among state and federal agencies to ensure the administration's wind energy goals are met.
- ***Restore collaboration on wind deployment and expand technology development.*** The Department of Energy's renewable energy programs should focus not only on technology research and innovation, but also on technology

deployment and market development. DOE's wind power program has increasingly emphasized the next generation of wind systems at the expense of aiding states in their deployment initiatives. Our communities value the objective information provided by DOE through our Wind Working Groups and other outreach efforts, and other issues that come up in community discussions of wind energy development. Minimal attention to market development for *today's* emerging wind systems — which are at an early commercial stage — neglects our near and mid-term economic and energy development interests. Technology deployment and market development assistance in coordination with our states are precisely the types of efforts other nations are utilizing to successfully compete with the United States. We must recognize that a scientific breakthrough five or ten years from now, plus several more years for commercial acceptance, will be of little value if our wind industry has been relegated to minor players in the global marketplace. A more balanced approach is required by DOE to ensure research, development, and deployment activities are all supported.

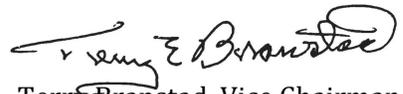
- ***Improve siting collaboration.*** Airspace, radar, and wildlife are areas where conflicts can occur between agencies without careful management. Consistent with our letter last month to Secretary Salazar, we believe wind energy and wildlife protection are entirely compatible and we urge a prompt resolution of the Wind Energy Guidelines and Eagle Guidance concerns. Projects are being delayed because of the uncertainty these guidelines have created. Airspace, radar and wildlife issues are equally important to successfully deploying offshore wind energy projects and any offshore-specific policies in these areas need to take into account the realities of the development process.
- ***Expedite the Deployment of Offshore Wind.*** Offshore wind is an abundant source of renewable energy located near some of our nation's largest cities and areas of electricity demand, but the nation still has nothing installed to date. Europe currently has 2 GW of offshore wind installed. A new U.S. offshore wind sector would create tens of thousands of jobs in businesses ranging from R&D and engineering to manufacturing and marine construction. The long term extension of the investment tax credit and the restoration of funding for the DOE loan guarantee program are critical to the development of our offshore wind industry. In addition, there are several projects in various stages of development that could benefit from a more robust and aggressive deployment strategy. DOI should reduce its current leasing process from 7-10 years down to 4, and DOE should support R&D for offshore wind so that the sector realizes the same reductions in cost onshore wind experienced as a result of R&D investments the past decade.
- ***Identify transmission priorities for Power Marketing Administrations (PMAs).*** PMAs, including Bonneville Power Administration, Western Area Power Administration, and Southwestern Power Administration, have critical roles to play in the development of the nation's renewable resources. These agencies can improve integration with neighboring electricity systems, improve their own operations to integrate more renewables, build transmission, and partner with private investors on transmission line development. Recently, however, the Bonneville Power Administration has curtailed the transmission of wind energy because of high water levels in the Northwest. A long-term view is needed that ensures a diversified approach to increasing domestic energy production.

- **Release completed DOE analytical information.** A number of renewable energy experts have contributed to a DOE analysis of potential future renewable energy power options. This report would aid governors and other policy makers in assessing the potential for wind energy and other renewables, and contribute to setting the vision for the nation's energy future. DOE has completed a valuable report in this area, and we ask you to ensure that the results are made public without delay.

We believe these actions will help address some of the national economic and energy challenges before our nation. We look forward to working with you and your Administration to further our nation's wind energy development to help drive economic growth, energy development, and the creation of high-paying jobs.

Sincerely,

  
Lincoln Chafee, Chairman  
and Governor of Rhode Island

  
Terry Branstad, Vice Chairman  
and Governor of Iowa

c.  
Member Governors  
Hon. Steven Chu  
Hon. Ken Salazar  
Hon. Gary Locke  
Hon. Nancy Sutley

AGENCY PRE-DESIGN MEETING:  
OKLAHOMA RESOURCE AGENCIES  
PLAINS & EASTERN CLEAN LINE PROJECT

Board Room, 2<sup>nd</sup> Floor  
Oklahoma Water Resources Board  
3800 N. Classen Boulevard  
Oklahoma City, Oklahoma  
9:00 AM – 12:30 PM  
February 25, 2011

- I. Introductions and Sign-in – All
- II. Plains & Eastern Clean Line Project Overview – Clean Line Energy
- III. Project Status and Anticipated Schedule – Clean Line Energy
- IV. Permitting Process and Agency Participation – All
- V. Routing Process (to date) – Clean Line Energy
- VI. Breakout Session – Map Review, Feedback and Discussion – All
- VII. Conclusion, Wrap-up, and Summary of Follow-up Items – All

**Agency Pre-Design Meeting:  
Federal and State of Oklahoma Resource Agencies  
Plains & Eastern Clean Line Project**

**February 25, 2011  
9:00 a.m. – 12:30 p.m.  
Board Room, 2<sup>nd</sup> Floor  
Oklahoma Water Resources Board  
Oklahoma City, Oklahoma**

**Meeting Summary**

Clean Line Energy Partners (Clean Line) conducted an Agency Pre-Design Meeting with federal and state of Oklahoma resource agency representatives from 9:00 a.m. through 12:30 p.m. on February 25, 2011, in the Board Room of the Oklahoma Water Resources Board (OWRB) located at 3800 N. Classen Boulevard in Oklahoma City, Oklahoma. A similar meeting was held in Little Rock, Arkansas, for federal and state of Arkansas resource agency representatives on February 24, 2011, in Little Rock, Arkansas. A meeting with federal and state of Tennessee resource agency representatives is tentatively planned in Memphis, Tennessee, on March 22, 2011.

The purpose of the Agency Pre-Design Meeting was to initiate preliminary agency outreach for the Plains & Eastern Clean Line Project (Plains & Eastern) and for Clean Line to present a project overview and anticipated schedule, discuss the criteria and methodology for siting corridors and routes, and present their initial understanding of permits required for the project. A second important goal of the meeting was to solicit agency comments on project permitting requirements and environmental concerns and comments on the project study area and the preliminary corridors identified to date. Lastly, the meeting provided an opportunity for agency personnel to exchange and discuss pertinent project-related information as a group, resulting in better long-term understanding of inter-related environmental issues than would have occurred if the meetings were conducted in isolation.

A total of 16 federal and state of Oklahoma agency personnel from 12 different agencies, four Clean Line representatives and four Ecology and Environment, Inc. (E & E) employees, Clean Line's environmental consultant, attended the meeting. Clean Line also invited the United States Environmental Protection Agency, Region 6; the United States Army Corps of Engineers (USACE)-Tulsa District Regulatory Division; the Oklahoma Archeological Survey; and the Oklahoma State Historic Preservation Office to attend the Oklahoma Agency Pre-Design Meeting. These entities declined or were unable to attend the meeting.

The workshop followed the included agenda.

**Sign-in Sheet**  
**Plains & Eastern Clean Line**  
**Oklahoma Multi-Agency Meeting**  
**February 25, 2011**  
**Oklahoma City, Oklahoma**

<b>Name</b>	<b>Organization</b>	<b>Email</b>	<b>Phone Number</b>	<b>Address</b>	<b>Would You Like To Join Our Mailing List? Y/N</b>
Jeff Haas	USFWS Sequoyah NWR	jeff_haas@fws.gov	918-773-5251	Rt1 Box 18A Vian, OK 74962	Y
Darrin Unruh	USFWS Deep Fork NWR	darrin_unruh@fws.gov	918-756-0815	PO Box 816 Okmulgee, OK 74447	Y
Scott Gilje	USFWS Sequoyah NWR	Scott_gilje@fws.gov	918-773-5251	Rt1 Box 18A Vian, OK 74962	Y
Charles Schrodt	USACE, Tulsa District, Operations Division	Charles.Schrodt@usace.army.mil	918-799-5843 x3123	102 E BK 2OC Rd Stiglor, OK 74462	Y
Phil Moershel	OWRB	phmoershel@owrb.ok.gov	405-530-8800	3800 W. Classen Oklahoma City, OK	Y
Kurt Harms	ODOT	Kurt.harms@odot.org	405-521-2661	200 NE 21 <sup>st</sup> Oklahoma City, OK 73105	Y
Matt Mattioda	ODWC	mattioda@zoo.odwc.state.ok.us	405-397-1599	1801 N. Lincoln Blvd Oklahoma City, OK 73105	Y
Angela Burgess	USFWS/ OK ESFO	angela_burgess@fws.gov	918-382-4527	9014 E. 21st St Tulsa, OK 74070	Y
Ken Collins	USFWS/ OK ESFO	Ken_Collins@fws.gov	918-581-7458	9014 E. 21st St Tulsa, OK 74019	Y
Steve Hensley	USFWS Ozark Plateau NWR	steve_hensley@fws.gov	918-775-9073	9014 E 21st St Tulsa, OK 74129	Y
Brooks Tramell	OKCC	brooks.tramell@conservation.ok.gov	405-522-6908	4545 N Lincoln Blvd., Ste 11A Oklahoma City, OK 73105	Y
Kara Williams	ODEQ	Kara.Williams@deq.ok.gov	405-702-1031	707 N Robinson Oklahoma City, OK 73101	Y
Suzanne Collier	NRCS	Suzanne.Collier@ok.usda.gov	405-742-1234	100 USDA Suite 206 Stillwater, OK 74047	N
Eve Atkinson	OTRD	eatkinson@oklahomaparks.com	405-230-8483	120 N Robinson, Suite 600 Oklahoma City, OK 73102	Y
Russ Horton	ODWC	rhorton270@sbcglobal.net	405-202-5901	1801 N Lincoln Blvd. Oklahoma City, OK 73105	Y

NON-GOVERNMENT ORGANIZATION PRE-DESIGN  
OUTREACH MEETING:  
OKLAHOMA  
PLAINS & EASTERN CLEAN LINE PROJECT

The Nature Conservancy  
1001 NW 63<sup>rd</sup> Street, Suite 260  
Oklahoma City, OK 73116  
9:00 AM – 12:00 PM  
April 26, 2011 – Oklahoma

- I. Introductions and Sign-in – All
- II. Plains & Eastern Clean Line Project Overview – Clean Line Energy
- III. Project Status and Anticipated Schedule – Clean Line Energy
- IV. Routing Process (to date) – Clean Line Energy
- V. NGO Input and Feedback – All
- VI. Breakout Session – Map Review, Feedback and Discussion – All
- VII. Conclusion, Wrap-up, and Summary of Follow-up Items – All



**Oklahoma Non-Government Organization  
Pre-Design Meeting  
Plains & Eastern Clean Line Project**

**April 26, 2011  
9:00 a.m. – 12:00 p.m.  
The Nature Conservancy  
1001 NW 63<sup>rd</sup> Street, Suite 260  
Oklahoma City, Oklahoma 73116**

**Meeting Summary**

**Introduction**

Clean Line Energy Partners (Clean Line) conducted a Non-Government Organization (NGO) Pre-Design Meeting with Oklahoma organization representatives from 9:00 a.m. through 12:00 p.m. on April 26, 2011, at The Nature Conservancy (TNC) office located at 1001 NW 63<sup>rd</sup> Street, Oklahoma City, Oklahoma.

The purpose of the NGO Pre-Design Meeting was to continue outreach with conservation NGOs for the Plains & Eastern Clean Line Project (Plains & Eastern). In addition, the meeting provided an opportunity for Clean Line to present a project overview and anticipated schedule, discuss the criteria and methodology for siting corridors and routes, and solicit input on comments on environmental concerns on the project study area and the preliminary corridors identified to date.

Attendees included eight NGO personnel representing five different agencies, four Clean Line representatives and one Ecology and Environment, Inc. (E & E) employee, Clean Line's environmental consultant (see attendees list provided in **Attachment A**).

The agenda is included in **Attachment B**. The following is a summary of points discussed during each section outlined in the agenda. All attendees were provided with a packet of printed materials that was referred to throughout the meeting (see **Attachment C**).

**I. Introductions and Sign-In**

Mr. Jason Thomas of Clean Line welcomed all attendees, reviewed what would be covered under each section of the agenda, explained what was contained within each handout packet, and requested an introduction from each attendee.

**II. Plains & Eastern Clean Line Project Overview**

Mr. Mario Hurtado and Mr. Jason Thomas from Clean Line provided an overview of the Project.

Clean Line responded to a question regarding the cost benefit of conducting early stakeholder outreach.

**III. Project Status and Anticipated Schedule**

Clean Line reviewed the *Plains & Eastern Preliminary Project and Agency Coordination Schedule* and the *Plains & Eastern Estimated Schedule* (see Attachment C). Attendees were informed that Clean Line's philosophy is to interact with stakeholders early and often, and that there will be many subsequent opportunities to provide input on the project throughout its duration. Clean Line also pointed out that a significant stakeholder outreach effort is under way and

that opportunities for public input are also called out in the schedule handouts. During this portion of the agenda, Clean Line also discussed the draft permit table provided in the handout packet (see Attachment C). Clean Line explained that this table is similar to the one discussed at the Oklahoma resource agency pre-design meeting held on February 25, 2011. Clean Line pointed out that understanding the permitting requirements and processing timeframes was critical for developing a realistic project schedule. Ms. Powell of E & E reminded meeting attendees that the permit table will be expanded to include required local authorizations once a final route has been selected.

There was a discussion among the group about the following:

- Making contact with the Commissioners of Land;
- Potential interaction with Native American tribes;
- Previous meetings with ODWC and USFWS with regard to lesser prairie-chicken and Clean Line's use of the Oklahoma Lesser Prairie-Chicken Spatial Planning Tool;
- Clean Line's status as a utility in Oklahoma and Arkansas;
- Clean Line's settlement arrangement with the Southern Great Plains Public Rights Commission;
- Consideration of conservation easements during the land acquisition process;
- Interaction with the Oklahoma Association of Conservation Districts (OACD); and,
- Flood control structures, easements and potential impacts.

#### **IV. Routing Process**

As part of their presentation, Clean Line summarized the project corridor siting efforts that have occurred to date. This presentation included a brief overview of environmental and engineering siting criteria. During the discussion of this agenda item, Clean Line conceded that the area surrounding Ft. Supply in Woodward County, Oklahoma will require additional analysis.

#### **V. NGO Input and Feedback**

Mr. Thomas requested that each attendee ask any questions or provide input, feedback or any additional comments regarding the project or information presented at the NGO Pre-Design Meeting to this point.

There was a discussion among the group about the following:

- Clean Line's knowledge and awareness of other transmission expansion plans and the integration of these considerations into the routing process;
- Consideration of designated Prime Farmland during the routing process;
- Conservation easements;
- Allowed land uses within or near the right-of-way during operation of the project;
- Potential dimensions of right-of-way and structures;
- The OACD's
  - Flood control structures and easements, spillways, and breach inundation areas;
  - Concerns about potential effects to the lesser prairie-chicken;
  - Geographic footprint in the state;
  - New wildlife credit programs;
- Visual and aesthetic concerns; and,
- Concerns about potential effects to American burying beetle and USFWS' current land acquisition for habitat protection.

## **VI. Breakout Session-Map Review, Feedback, and Discussion**

The group reviewed maps of the proposed corridor network in Oklahoma. Comments made during this review are recorded in **Attachment D**.

The following is a brief summary of issues identified by attendees:

- Avoidance of flood control structures, particularly in Major, Woodward and Garfield counties;
- Avoidance of ongoing and planned conservation areas (and easements) such as wetland creation areas, trust areas, etc.;
- Sensitivity to Vance Air Force Base;
- Routing sensitivities in the Oklahoma panhandle and the consideration of corridors in Texas;
- Location of floodplains and prime farmlands; and,
- Bat caves, hibernacula, and areas supporting bat populations.

## **VII. Conclusion, Wrap-Up, and Summary of Follow-up Items**

The meeting concluded with Clean Line thanking all attendees for participating in the meeting.

SIGN-IN SHEET  
 PLAINS & EASTERN CLEAN LINE  
 NGO PRE-DESIGN OUTREACH MEETING  
 APRIL 26, 2011  
 OKLAHOMA CITY, OKLAHOMA

NAME	TITLE	ORGANIZATION	EMAIL	PHONE NUMBER	ADDRESS	JOIN OUR MAILING LIST? Y/N
Amanda Ewing	General Counsel	OK Assoc. of Conservation Districts (OACD)	Amanda.richelle@gmail.com	405-420-5883	4201 NW 43 <sup>rd</sup> St. Oklahoma City, OK 73112	Y
Sarah Pope	Director	OACD	sarahmariepope@gmail.com	405-210-8950	Rt. 1, Box 76 Loyal, OK 73756	Y
Steven Bender	Regional Rep	NWF	benders@nwf.org	512-610-7759	44 East Ave., Suite 200 Oklahoma City, Oklahoma X	Y
Steve McGuffin	Acting DOP	TNC	smcguffin@tnc.org	405-858-8557	1001 NW 63 <sup>rd</sup> , Ste. 260 Oklahoma City, OK 73116	Y
Mike Fuhr	State Dir.	TNC	mfuhr@tnc.org	918-633-7960	2727 E. 21 <sup>st</sup> , Suite 102 Tulsa, OK x	Y
Jeff Crosby	Project Manager	Land Legacy	jcrosby@landlegacy.net	918-587-2190	406 S. Boulder Ave., Suite 280 Tulsa, OK 74103	Y
Robert Gregory	Executive Director	Land Legacy	rgregory@landlegacy.net	918-587-2190	406 S. Boulder Ave., Suite 280 Tulsa, OK 74103	Y
Bud Scott	Lobbyist	Sierra Club	okprogress@gmail.com	405-445-9435	X	x
Claire Richard	Analyst	Clean Line	crichard@cleanlineenergy.com	832-319-6341	1001 McKinney, Suite 700 Houston, TX 77002	
Jason Thomas	Environmental Director	Clean Line	jthomas@cleanlineenergy.com	832-319-6341	1001 McKinney, Suite 700 Houston, TX 77002	
Mario Hurtado	Executive VP	Clean Line	mhurtado@cleanlineenergy.com	832-319-6341	1001 McKinney, Suite 700 Houston, TX 77002	
Phil Teel	Oklahoma Outreach Manager	Clean Line	pteel@cleanlineenergy.com	405-990-3453		
Brenda Powell	OK Permits Coordinator	Ecology and Environment, Inc.	bpowell@ene.com	850-574-1400 x 3911	1974 Commonwealth Lane Tallahassee, FL 32303	

AGENCY PRE-DESIGN MEETING:  
ARKANSAS RESOURCE AGENCIES  
PLAINS & EASTERN CLEAN LINE PROJECT

Regions Bank Center  
Red Oak Conference Room, 3<sup>rd</sup> Floor  
400 West Capital Ave  
Little Rock, Arkansas 72201  
9:00 AM – 12:30 PM  
February 24, 2011

- I. Introductions and Sign-in – All
- II. Plains & Eastern Clean Line Project Overview – Clean Line Energy
- III. Project Status and Anticipated Schedule – Clean Line Energy
- IV. Permitting Process and Agency Participation – All
- V. Routing Process (to date) – Clean Line Energy
- VI. Breakout Session – Map Review, Feedback and Discussion – All
- VII. Conclusion, Wrap-up, and Summary of Follow-up Items – All

**Agency Pre-Design Meeting:  
Federal and State of Arkansas Resource Agencies  
Plains & Eastern Clean Line Project**

**February 24, 2011  
9:00 a.m. – 12:30 p.m.  
Red Oak Conference Room, 3<sup>rd</sup> Floor  
Regions Bank Center  
Little Rock, Arkansas**

**Meeting Summary**

Clean Line Energy Partners (Clean Line) conducted an Agency Pre-Design Meeting with federal and state of Arkansas resource agency representatives from 9:00 a.m. through 12:30 p.m. on February 24, 2011, at the Regions Bank Center, Red Oak Conference Room, located at 400 West Capital Avenue in Little Rock, Arkansas. A similar meeting was held in Oklahoma City, Oklahoma for federal and state of Oklahoma resource agency representatives on February 25, 2011. A meeting with federal and state of Tennessee resource agency representatives was held in Memphis, Tennessee on March 22, 2011.

The purpose of the Agency Pre-Design Meeting was to initiate preliminary agency outreach for the Plains & Eastern Clean Line Project (Plains & Eastern) and for Clean Line to present a project overview and anticipated schedule, discuss the criteria and methodology for siting corridors and routes, and present their initial understanding of permits required for the project. A second important goal of the meeting was to solicit agency comments on project permitting requirements and environmental concerns and comments on the project study area and the preliminary corridors identified to date. Lastly, the meeting provided an opportunity for agency personnel to exchange and discuss pertinent project-related information as a group, resulting in better long-term understanding of inter-related environmental issues than would have occurred if the meetings were conducted in isolation.

A total of 15 federal and state of Tennessee agency personnel from 10 different agencies, four Clean Line representatives and five Ecology and Environment, Inc. (E & E) employees, Clean Line's environmental consultant, attended the meeting. Clean Line also invited the United States Environmental Protection Agency, Region 6; the United States Army Corps of Engineers (USACE)-Memphis District Regulatory Division; Arkansas State Parks; Arkansas Forestry Commission; Arkansas Geological Commission; and Arkansas Natural Resources Commission to attend the Arkansas Agency Pre-Design Meeting. These entities declined or were unable to attend the meeting.

The workshop followed the included agenda.

**Sign-in Sheet  
Plains & Eastern Clean Line  
Arkansas Multi-Agency Meeting  
February 24, 2011  
Little Rock, Arkansas**

<b>Name</b>	<b>Organization</b>	<b>Email</b>	<b>Phone Number</b>	<b>Address</b>	<b>Would You Like To Join Our Mailing List? Y/N</b>
Michael White	USDA Forest Service	mawhite@fs.fed.us	501-321-5313	Ouachita National Forest PO Box 1270 Hot Springs, AR 71902	Y
Cindy Osborne	Arkansas Natural Heritage Comm.	cindy@arkansasheritage.org	501-324-9762	1500 Tower Bldg. 72201 323 Center St Little Rock AR	Y
Bill Holimon	Arkansas Natural Heritage Comm.	billh@arkansasheritage.org	501-324-9761	1500 Tower Bldg. 72201 323 Center St Little Rock AR	N
Brenda Powell	Ecology and Environment	bpowell@ene.com	850-574-1400 Ext. 3911	1974 Commonwealth Lane Tallahassee, FL 32303	
Jason Zoller	E & E	jzoller@ene.com	713-344-3000	2 Riverway, Suite 625 Houston, TX 77056	N
Valerie Meyer	E & E	vmeyer@ene.com	713-344-3000	2 Riverway, Suite 625 Houston, TX 77056	N
David Crawley	E & E	dcrawley@ene.com	850-455-8925 Ext. 4302	220 West Garden St, Suite 404 Pensacola, FL 32502	N
Tonya Acuff	COE	tonya.acuff@usace.army.mil	601-631-7523	4155 Clay Street Vicksburg, MS 39183	
Jennifer Mallard	COE	Jennifer.a.mallard@usace.army.mil	601-631-7523	4155 Clay Street Vicksburg, MS 39183	
Claire Richards	CLE	crichard@cleanlineenergy.com	832-319-6331	1001 McKinney, Suite 700 Houston, TX 77002	
Mario Hurtado	CLE	mhurtado@cleanlineenergy.com	832-319-6331	1001 McKinney, Suite 700 Houston, TX 77002	
Durwin C Carter	USFWS	Durwin_Carter@fws.gov	479-229-4300	26320 Holla Sand Rd Dardanelle, AR 72006	Y
Keith M. Weaver	USWFS	keith_weaver@fws.gov	870-347-2074	26320 Hwy 33 South Augusta, AR 72006	Y
Lindsey Lewis	USWFS	Lindsey_Lewis@fws.gov	501-513-4489	110 S. Amity Rd Suite 300 Conway, AR 72032	N

**Sign-in Sheet  
Plains & Eastern Clean Line  
Arkansas Multi-Agency Meeting  
February 24, 2011  
Little Rock, Arkansas**

<b>Name</b>	<b>Organization</b>	<b>Email</b>	<b>Phone Number</b>	<b>Address</b>	<b>Would You Like To Join Our Mailing List? Y/N</b>
Sarah Chitwood	US Corps of Engineers	Sarah.L.Chitwood@usace.army.mil	501-324-5295	PO Box 867 Little Rock, AR 72203	Y
Cynthia Blansett	US Corps of Engineers	Cynthia.W.Blansett@usace.army.mil	501-324-5296	PO Box 867 Little Rock, AR 72203	Y
Danielle Lovellette	USACE	Danielle.lovellette@usace.army.com	501-324-5296	PO Box 867 Little Rock, AR 72203	N
Kay Crutchfield	AHTD	kay.crutchfield@arkansashighways.com	501-569-2311	PO Box 2261 Little Rock, AR 72203	N
Gene Kuettel	AHTD	gene.kuettel@arkansas.highways.com	501-569-2146	PO Box 2261 Little Rock, AR 72203	N
Laurie Weaver	E & E	lweaver@ene.com	713-344-3000	2 Riverway, Suite 625 Houston, TX 77056	
Bob Leonard	AGFC	RKLeonard@usffc.state.ar.us	501-928-7301	#2 Natural Resource Dr Little Rock, AR 72205	Y
Jason Thomas	CLE	jthomas@cleanlineenergy.com	713-805-6840	1001 McKinney, Suite 700 Houston, TX 77002	Y
Andrea Hopkins	ADEQ	hopkins@adeq.state.ar.us	501-682-0880	5301 Northshore Dr North Little Rock, AR 72118-5317	

NON-GOVERNMENT ORGANIZATION PRE-DESIGN  
OUTREACH MEETING:  
ARKANSAS  
PLAINS & EASTERN CLEAN LINE PROJECT

The Nature Conservancy  
601 North University Avenue  
Little Rock, AR 72205  
9:00 AM – 12:00 PM  
April 27, 2011 – Arkansas

- I. Introductions and Sign-in – All
- II. Plains & Eastern Clean Line Project Overview – Clean Line Energy
- III. Project Status and Anticipated Schedule – Clean Line Energy
- IV. Routing Process (to date) – Clean Line Energy
- V. NGO Input and Feedback – All
- VI. Breakout Session – Map Review, Feedback and Discussion – All
- VII. Conclusion, Wrap-up, and Summary of Follow-up Items – All



**Arkansas Non-Government Organization  
Pre-Design Meeting:  
Plains & Eastern Clean Line Project**

**April 27, 2011  
9:00 a.m. – 12:00 p.m.  
The Nature Conservancy  
601 North University Avenue  
Little Rock, Arkansas**

**Meeting Summary**

**Introduction**

Clean Line Energy Partners (Clean Line) conducted a Non-Government Organization (NGO) Pre-Design Meeting with Arkansas organization representatives from 9:00 a.m. through 12:00 p.m. on April 27, 2011, at the Nature Conservancy (TNC) Office located at 601 North University Avenue, Little Rock, Arkansas.

The purpose of the NGO Pre-Design Meeting was to continue outreach with conservation NGOs for the Plains & Eastern Clean Line Project (Plains & Eastern). In addition, the meeting provided an opportunity for Clean Line to present a project overview and anticipated schedule, discuss the criteria and methodology for siting corridors and routes, and solicit input on comments on environmental concerns on the project study area and the preliminary corridors identified to date.

Attendees included nine representatives from six different organizations, four Clean Line representatives and one employee of Ecology and Environment, Inc. (E & E), Clean Line's environmental consultant (see attendees list provided in **Attachment A**).

The agenda is included in **Attachment B**. The following is a summary of points discussed during each section outlined in the agenda. All attendees were provided with a packet of printed materials that was referred to throughout the meeting (see **Attachment C**).

**I. Introductions and Sign-In**

Mr. Jason Thomas of Clean Line welcomed all attendees, reviewed what would be covered under each section of the agenda, explained what was contained within each handout packet, and requested an introduction from each attendee.

**II. Plains & Eastern Clean Line Project Overview**

Mr. Mario Hurtado and Mr. Jason Thomas from Clean Line provided an overview of the Project.

Clean Line responded to questions covering the following topics:

- DC transmission compared to AC transmission;
- Electric and magnetic fields; and,
- Clean Line's status as a utility in Arkansas.

### III. Project Status and Anticipated Schedule

Clean Line reviewed the *Plains & Eastern Preliminary Project and Agency Coordination Schedule* and the *Plains & Eastern Estimated Schedule*, (see Attachment C). Attendees were informed that Clean Line's philosophy is to interact with the stakeholders early and often, and that there will be many subsequent opportunities to provide input on the project throughout its duration. Clean Line also pointed out that a significant stakeholder outreach effort is under way and that opportunities for general public input are also called out in the schedule handouts. During this portion of the agenda, Clean Line also discussed the draft permit table provided in the handout packet (see Attachment C), Clean Line explained that this table is similar to the one discussed at the Arkansas resource agency pre-design meeting held on February 24, 2011. Clean Line pointed out that understanding the permitting requirements and processing timeframes was critical for developing a realistic project schedule.

### IV. Routing Process

As part of their presentation, Clean Line summarized the project corridor siting efforts that have occurred to date. This presentation included a brief overview of environmental and engineering siting criteria. Clean Line further explained that the information obtained from stakeholder and agencies will be used to narrow the current study corridors presented at the NGO Pre-Design Meeting to a preferred and alternative corridors and eventually preferred and alternative routes.

### V. NGO Input and Feedback

Mr. Thomas requested that each attendee ask any questions or provide input, feedback or any additional comments regarding the project or information presented at the NGO Pre-Design Meeting to this point.

There was a discussion among the group about the following:

- Electric and magnetic fields and the characteristics of DC transmission with respect to these fields and their potential effect to migration of animals;
- Public participation and the prospective timing of open houses;
- Leveraging various NGO membership lists to have the NGO help increase awareness during public notice periods and to supplement legal notice requirements;
- Entergy's pending decision to join MISO;
- Status of the lesser prairie-chicken and sensitive habitat, and Clean Line's cooperation with agencies;
- Potential delivery to Tennessee Valley Authority;
- Role of wind in the future generation mix for the southeastern U.S.;
- Economic, environmental, and operational considerations for renewable and other generation sources in the electrical grid;
- Construction best management practices;
- Discussion of the project's potential effects to streams, riparian habitats, and wetlands;
- Feasibility of non-renewable power plants to deliver through Plains & Eastern;
- Timing of commercial commitments for the project;
- Existing DC transmission projects in North America;
- Potential dimensions of right-of-way and structures;
- Potential payment structures for easements;
- Potential effects to forested areas as compared to other land cover types;
- Fair treatment of landowners and landowners rights;
- Participation of NGOs in future public meetings;
- Paralleling existing infrastructure such as highways;
- Consideration of potential effects on a broader, eco-region scale; and,

- Balancing right-of-way maintenance practices, including the use of herbicides and the development of a Transmission Vegetation Management Plan compliant with North American Electric Reliability Corporation standards, with environmental best management practices.

## **VI. Breakout Session-Map Review, Feedback, and Discussion**

The group reviewed maps of the proposed corridor network in Arkansas. Comments made during this review are recorded in **Attachment D**. The following is a brief summary of issues identified by attendees:

- Avoidance of National Wildlife Refuges, State Parks, Natural Areas, and other designated areas;
- Important Birding Areas;
- Migratory bird areas;
- Mushroom collection areas;
- Visual and aesthetic concerns;
- Watershed areas;
- Public sensitivities;
- Forest fragmentation; and,
- Shale gas development.

## **VII. Conclusion, Wrap-Up, and Summary of Follow-up Items**

The meeting concluded with Clean Line thanking all attendees for participating in the meeting.

# PLAINS & EASTERN

CLEAN LINE

SIGN-IN SHEET  
 PLAINS & EASTERN CLEAN LINE  
 ARKANSAS NGO PRE-DESIGN OUTREACH MEETING  
 APRIL 27, 2011  
 LITTLE ROCK, ARKANSAS

NAME	TITLE	ORGANIZATION	EMAIL	PHONE NUMBER	ADDRESS	JOIN OUR MAILING LIST? Y/N
Patty Barker	Policy Director	AR Public Policy Panel	patty@arpanel.org	501-960-7929	1308 W. 2 <sup>nd</sup> Street Little Rock, AR 72201	Y
Wayne Shewmake	President	AWF	Wayne093@_____.net	479-229-2298	21256 N. Dardanelle, AR 72834	Y
Ethan Nohte'	Acting Exec. Director	AWF	arkwf@sbcglobal.net	501-224-9200	9801 Rodney Parham Rd., Suite 1 Little Rock, AR 72205	Y
Nao Ueda	Outreach Coordinator	Audubon	nueda@audubon.org	501-249-8425	4500 Springer Blvd. Little Rock, AR XXXXX	Y
Scott Simon	Director	TNC	ssimon@tnc.org	501-614-5082	601 N. University Ave. Little Rock, AR XXXXX	Y
Roger W. Mangham	DCP	TNC	rmangham@tnc.org	501-580-6894	601 n. University Ave. Little Rock, AR 72205	Y
Debbie Doss	Conservation	AR Canoe Club	ddoss@conwaycorp.net	501-472-6873	5 Sycamore Dr. Conway, AR 72032	Y
Barry Haas	x	AR Public Policy Board	bhaas@sbcglobal.net	501-821-4097	804 Konrad Ct. Little Rock, AR 72223	Y
Lev Guter	Assoc. Field Organizer	Sierra Club	Lev.guter@sierraclub.org	941-779-3337	1308 W 2 <sup>nd</sup> Street Little Rock, AR 72205	Y
Claire Richard	Clean Line Analyst	Clean Line	crichard@cleanlineenergy.com	832-319-6341	1001 McKinney, Suite 700 Houston, TX 77002	
Jason Thomas	Environmental Director	Clean Line	jthomas@cleanlineenergy.com	832-319-6341	1001 McKinney, Suite 700 Houston, TX 77002	
Mario Hurtado	Executive VP	Clean Line	mhurtado@cleanlineenergy.com	832-319-6341	1001 McKinney, Suite 700 Houston, TX 77002	
Kim Randle	Arkansas Outreach Manager	Clean Line	krandle@cleanlineenergy.com	479-439-3052		
Laurie Weaver	Permits Coordinator	E & E	lweaver@ene.com	713-344-3000	2 Riverway, Suite 625 Houston, Texas 77056	

## AGENCY PRE-DESIGN MEETING: TENNESSEE RESOURCE AGENCIES PLAINS & EASTERN CLEAN LINE PROJECT

Conference Room, Room 129  
Division of Water Pollution Control  
Tennessee Department of Environment & Conservation  
Memphis Environmental Field Office  
8383 Wolf Lake Drive  
Bartlett, TN 38133  
9:00 AM – 12:30 PM  
March 22, 2011

- I. Introductions and Sign-in – All
- II. Plains & Eastern Clean Line Project Overview – Clean Line Energy
- III. Project Status and Anticipated Schedule – Clean Line Energy
- IV. Routing Process (to date) – Clean Line Energy
- V. Permitting Process and Agency Participation – All
- VI. Breakout Session – Map Review, Feedback and Discussion – All
- VII. Conclusion, Wrap-up, and Summary of Follow-up Items – All

**Agency Pre-Design Meeting:  
Federal and State of Tennessee Resource Agencies  
Plains & Eastern Clean Line Project**

**March 22, 2011  
9:00 a.m. – 12:30 p.m.  
Conference Room, Room 129  
Memphis Environmental Field Office  
Tennessee Department of Environment and Conservation  
Memphis, Tennessee**

**Meeting Summary**

Clean Line Energy Partners (Clean Line) conducted an Agency Pre-Design Meeting with federal and state of Tennessee resource agency representatives from 9:00 a.m. through 12:30 p.m. on March 22, 2011, at the Memphis Environmental Field Office of the Tennessee Department of Environment and Conservation, Room 129, located at 8383 Wolf Lake Drive, in Bartlett, Tennessee outside of Memphis. Similar meetings were held in Little Rock, Arkansas for federal and state of Arkansas resource agency representatives on February 24, 2011, and in Oklahoma City, Oklahoma, for federal and state of Oklahoma resource agency representatives on February 25, 2011.

The purpose of the Agency Pre-Design Meeting was to initiate preliminary agency outreach for the Plains & Eastern Clean Line Project (Plains & Eastern) and for Clean Line to present a project overview and anticipated schedule, discuss the criteria and methodology for siting corridors and routes, and present their initial understanding of permits required for the project. A second important goal of the meeting was to solicit agency comments on project permitting requirements and environmental concerns and comments on the project study area and the preliminary corridors identified to date. Lastly, the meeting provided an opportunity for agency personnel to exchange and discuss pertinent project-related information as a group, resulting in better long-term understanding of inter-related environmental issues than would have occurred if the meetings were conducted in isolation.

A total of nine federal and state of Tennessee agency personnel from five different agencies, four Clean Line representatives and three Ecology and Environment, Inc. (E & E) employees, Clean Line's environmental consultant, attended the meeting. Clean Line also invited the United States Environmental Protection Agency, Region 4; the United States Coast Guard – Sector Lower Mississippi River; the United States Fish and Wildlife Service – Cookeville Ecological Services Field Office; the Tennessee Department of Environment and Conservation (TDEC) Natural Heritage Inventory Program; and the TDEC Natural Areas Program to attend the Tennessee Agency Pre-Design Meeting. These entities declined or were unable to attend the meeting.

**Sign-in Sheet**  
**Plains & Eastern Clean Line**  
**Tennessee Multi-Agency Meeting**  
**March 22, 2011**  
**Memphis, Tennessee**

<b>Name and Title</b>	<b>Organization</b>	<b>Email</b>	<b>Phone Number</b>	<b>Address</b>	<b>Would You Like To Join Our Mailing List? Y/N</b>
Valerie Meyer (Tennessee Permit Lead)	E&E	<a href="mailto:vmeyer@ene.com">vmeyer@ene.com</a>	713-344-3000	2 Riverway, Suite 625 Houston, TX 77056	
Laurie Weaver (Permit Manager)	E&E	<a href="mailto:lweaver@ene.com">lweaver@ene.com</a>	713-344-3000	2 Riverway, Suite 625 Houston, TX 77056	
Mario Hurtado (EVP Development)	Clean Line	<a href="mailto:mhurtado@cleanlineenergy.com">mhurtado@cleanlineenergy.com</a>	832-319-6331	1001 McKinney St., Suite 700 Houston, TX 77002	
Jason Thomas (Director, Environment)	Clean Line	<a href="mailto:jthomas@cleanlineenergy.com">jthomas@cleanlineenergy.com</a>	832-319-6357	1001 McKinney St., Suite 700 Houston, TX 77002	
Davy Crawley (Arkansas Permit Lead)	E&E	<a href="mailto:dcrawley@ene.com">dcrawley@ene.com</a>	850-435-8925	220 West Garden St., Suite 404 Pensacola, FL 32502	
Josh Bright (Permit Manager)	USACE Memphis	<a href="mailto:joshua.k.bright@usace.army.mil">joshua.k.bright@usace.army.mil</a>	901-544-0926	167 North Main Memphis, TN	
Terry R. Templeton (Manager)	TDEC/WPC/MEFO	<a href="mailto:terry.templeton@tn.gov">terry.templeton@tn.gov</a>	901-371-3098	8383 Wolf Lake Dr. Memphis, TN 38133	
Cindy Patton (Director)	TDEC	<a href="mailto:cindy.patton@tn.gov">cindy.patton@tn.gov</a>	901-371-3001	8383 Wolf Lake Dr. Memphis, TN 38133	
Reggie Wuornos (Permit Manager)	USACE Memphis	<a href="mailto:reginald.c.wuornos@usace.army.mil">reginald.c.wuornos@usace.army.mil</a>	901-544-0731	167 North Main St., B-202 Memphis, TN 38003	
Lew Hoffman (Assistant Manager)	TDEC	<a href="mailto:lew.hoffman@tn.gov">lew.hoffman@tn.gov</a>	901-371-3019	8383 Wolf Lake Dr. Memphis, TN 38133	
Cliff Caudle (Environmental Specialist)	TDEC/WPC	<a href="mailto:cliff.caudle@tn.gov">cliff.caudle@tn.gov</a>	901-371-3028	8383 Wolf Lake Dr. Memphis, TN 38133	
Charles Green (Roadway Specialist III)	TDOT	<a href="mailto:charles.gree@tn.gov">charles.gree@tn.gov</a>	731-935-0101	300 Benchmark Jackson, TN 38301	Y

**Sign-in Sheet  
Plains & Eastern Clean Line  
Tennessee Multi-Agency Meeting  
March 22, 2011  
Memphis, Tennessee**

Name and Title	Organization	Email	Phone Number	Address	Would You Like To Join Our Mailing List? Y/N
Craig Ellis (Asst. State Conservationist)	NRCS	<a href="mailto:craig.ellis@tn.usda.gov">craig.ellis@tn.usda.gov</a>	615-277-2587	Nashville, TN	Y
Robert Todd (Fish and Wildlife Environmentalist)	TWRA	<a href="mailto:rob.todd@tn.gov">rob.todd@tn.gov</a>	615-781-6572	Ellington Agricultural Center PO Box 40747 Nashville, TN 37204	Y
Kim Randle (Regional Outreach Manager)	Clean Line	<a href="mailto:krandle@cleanlineenergy.com">krandle@cleanlineenergy.com</a>	479-439-3052	1001 McKinney St., Suite 700 Houston, TX 77002	
Max Shilstone (Director Business Development)	Clean Line	<a href="mailto:mshilstone@cleanlineenergy.com">mshilstone@cleanlineenergy.com</a>	832-319-6332	1001 McKinney St., Suite 700 Houston, TX 77002	

COUNTY JUDGES AND LOCAL  
ELECTED OFFICIALS IN  
ARKANSAS

Baylor House, Perry County  
Brad Wear, Yell County  
Brenda Hunt, Cleburne County  
Charles Dallas, Woodruff County  
Dale Haas, Craighead County  
Charles Nix, Poinsett County  
Claude Dill, Cleburne County  
David Hudson, Sebastian County  
Ed Hill, Craighead County  
Guy Young, Logan County  
Jim Gibson, Pope County  
Jimmy Hart, Conway County  
Joe Powell, Franklin County  
John Hall, Independence County  
Michael Lincoln, White County  
Mike Jacobs, Johnson County  
Preston Scroggin, Faulkner County  
Robert Griffin, Independence  
County  
Roger Hooper, Van Buren County  
Pat Hays, Mayor North Little Rock  
Mark Stodola, Mayor Little Rock

STATE ELECTED OFFICIALS IN  
ARKANSAS

Charlie Joyner, Representative  
David Derby, Representative  
Frank King, Representative  
John Burris, Representative  
Kathy Webb, Representative  
Jon Woods, Representative  
Jonathan Barnett, Representative  
Kim Hendren, Senator  
Paul Bookout, Senator  
Randy Laverty, Senator  
Robert Moore, Jr., Representative  
Mike Beebe, Governor  
Dustin McDaniel, Attorney General

FEDERAL ELECTED OFFICIALS IN  
ARKANSAS

\*met with them and/or their staff  
John Boozman, U.S. Senator  
Mark Pryor, U.S. Senator  
Mike Ross, U.S. Representative  
Rick Crawford, U.S. Representative  
Steve Womack, U.S. Representative  
Tim Griffin, U.S. Representative

## OKLAHOMA FEDERAL, STATE AND LOCALLY ELECTED OFFICIALS

Al McAffrey (Representative)  
Andrew Rice (Senator)  
Bill Bair (County Commissioner)  
Bill Percifield (County Commissioner)  
Bob Anthony (OCC)  
Bob James (County Commissioner)  
Bob Vandewater (OCC)  
Brad Raven (County Commissioner)  
Brian Bingman (Senator)  
Bruce Smith (County Commissioner)  
Bryce Marlatt (Senator)  
Charlie Robertson (Cherokee)  
Chief Gregory Pyle (Choctaw)  
Chris Wood (County Commissioner)  
CJ Rose (County Commissioner)  
Clark Jolley (Senator)  
Cliff Brannan (Senator)  
Cliff Taylor (County Commissioner)  
Clint Strawn (County Commissioner)  
Colby Schwartz (Representative)  
Constance Johnson (Senator)  
Dale Cook (County Commissioner)  
Dale DeWitt (Representative)  
Dan Boren (U.S. Representative)  
Dana Murphy (Commissioner)  
Daniel Sullivan (Representative)  
Danny Bass (County Commissioner)  
Danny Wilson (County Commissioners)  
David Myers (Senator)  
Dexter Payne (County Commissioner)  
Don Armes (Representative)  
Eddie Fields (Senator)  
Frank Lucas (U.S. Representative)  
Fred Jordan (Representative)  
Gary Winters (County Commissioners)  
Gloria Hessler (County Commissioner)

## OKLAHOMA FEDERAL, STATE AND LOCALLY ELECTED OFFICIALS

Gus Blackwell (Representative)  
Harold Wright (Representative)  
James Inhofe (U.S. Senator)  
Jeff Cloud (Commissioner)  
Jeff Hickman (Representative)  
Jim Halligan (Senator)  
Joe Dorman (Representative)  
Johnny Burke (County Commissioner)  
Jonathan Cross (County Commissioner)  
Josh Brecheen (Senator)  
Junior Salisbury (County Commissioner)  
JW Hill (County Commissioner)  
Keith Kuhlman (Commissioner)  
Kim David (Senator)  
Kris Steele (Representative)  
Lance Smith (County Commissioner)  
Lee Denney (Representative)  
Lisa Billy (Representative)  
Mark McCullough (Representative)  
Mary Fallin (Governor)  
Max Henery (County Commissioner)  
Melissa Dennis (County Commissioner)  
Mike Jackson (Representative)  
Mike Ming (Secretary of Energy)  
Mike Schultz (Representative)  
Monty Piercy (County Commissioner)  
Natalie Shirley (Secretary of Commerce)  
Patrick Anderson (Senator)  
Paul Storie (County Commissioner)  
Purcy Walker (Representative)  
Ralph Triplett (County Commissioner)  
Randy Frazier  
Ricky Taylor (County Commissioner)  
Rob Johnson (Representative)  
Ron Ballard (County Commissioner)  
Ron Justice (Senator)  
Ross Swimmer (Cherokee)

## **OKLAHOMA FEDERAL, STATE AND LOCALLY ELECTED OFFICIALS**

Rupert Irving (County Commissioner)  
Sean Burrage (Senator)  
Skye McNeil (Representative)  
Staff of John Sullivan (U.S. Representative)  
Steve Hobson (County Commissioner)  
Steve Martin (Representative)  
Stever Carter (County Commissioner)  
T.W. Shannon (Representative)  
Ted Craighead (County Commissioner)  
Terry Fagala (County Commissioner)  
Terry Peach (Secretary of Agriculture)  
Thomas Coburn (U.S. Senator)  
Tim Pendley (County Commissioner)  
Todd Lamb (Lt. Governor)  
Tom Cole (U.S. Representative)  
Tommy Grazier (County Commissioner)  
Vernie Matt (County Commissioner)

## TENNESSEE FEDERAL, STATE AND LOCALLY ELECTED OFFICIALS

Barrett Rich (Representative)

Bob Corker (U.S. Senator)

Chris Thomas (Commissioner)

Darrell Walker (Mayor)

Dwayne Cole (Mayor)

Eddie Roberson (Director, Tennessee Regulatory Authority)

Harold Collins (Council chair)

Jeff Huffman (Mayor)

Kenneth Hill (Director, Tennessee Regulatory Authority)

Lamar Alexander (U.S. Senator)

Mark Norris (Senator)

Mary Freeman (Chairman, Tennessee Regulatory Authority)

Myron Lowery (Council Chair)

Richard Hodges (Mayor)

Ron Lollar (Representative)

Sarah Kyle (Director, Tennessee Regulatory Authority)

Staff for John Tanner (former U.S Representative)

Terry Roland (Commissioner)

Terry Roland (County Commissioner)

Wyatt Bunker (Commissioner)

Mark Luttrell (Mayor)



June 10, 2011

The Honorable Dr. Steven Chu, Secretary of Energy  
U.S. Department of Energy  
1000 Independence Ave., SW  
Washington, DC 20585  
[The.Secretary@hq.doe.gov](mailto:The.Secretary@hq.doe.gov)

Dear Secretary Chu:

The country's aging transmission grid is insufficiently prepared to support the national investment required to repower America with clean renewable energy. The existing transmission system was primarily built as a result of local utility planning – connecting population centers with nearby fossil fuel power plants. Today, transmission is needed to access the best wind and solar resources as they are far away from load centers. New long-haul transmission lines must be built to fully support the potential of America's vast renewable resources and further the development of the clean energy economy. And this needs to happen now.

The President recognized this early in this administration when he mentioned the need for new transmission capacity to usher in the clean energy economy:

*“The state of the economy calls for action, bold and swift, and we will act – not only to create new jobs, but to lay a new foundation for growth. We will build the roads and bridges, the electric grids and digital lines that feed our commerce and bind us together. We will restore science to its rightful place, and wield technology's wonders to raise health care's quality and lower its cost. We will harness the sun and the winds and the soil to fuel our cars and run our factories.”<sup>1</sup>*

Our organizations have promoted the need for states to work together on transmission planning efforts, especially to integrate renewable energy resources. This coordination is coming together in the western United States, while interconnection-wide coordination in the east lags behind. While efforts are underway to enhance planning for renewable resource integration in across the U.S., we believe that DOE should utilize the full range of its existing authorities to promote responsibly-sited transmission for renewable energy resources if we are to meet the President's call for action. This challenge was made even more urgent by the release of the National Research Council report “America's Climate Choices,” released last month, which underscored the increasing threat climate change poses public health, our environment and our economy.

---

<sup>1</sup> Inaugural Address, January 20, 2009.

The Department of Energy has existing authorities that it can use to help meet the President's goals by ensuring that needed new transmission can be financed and built expeditiously. The Department should consider using these authorities to advance needed new lines that primarily service new renewable energy generation and are sited in a manner that protects our wildlife and wild lands.

Among these, DOE issued a request for proposals in June of 2010, seeking partnerships under Section 1222 of the Energy Policy Act of 2005 to develop transmission lines that will promote new renewable energy facilities. Executing partnerships such as those contemplated under the 1222 RFP would allow the NEPA process to begin, generating meaningful public engagement and analysis of environmental impacts. Notably, this partnership will not require any federal expenditure. DOE received two responses in 2010 and has not taken further action.

We do not believe that these authorities, including section 1222, are appropriate in all circumstances, however. We do not support the use of this authority to facilitate further expansion of conventional thermal power plants. In addition to our concerns about worsening carbon dioxide and criteria pollution, conventional resources do not need this authority. Incumbent utilities can develop transmission for these plants already, without exercising additional federal authority, while they have little incentive to construct lines for remotely constrained renewable resources. As we have seen in this case, the application of this authority may make the difference between opening a promising renewable energy resource area capable of providing renewable power to an otherwise underserved part of the country and preventing that development from occurring.

We encourage DOE to exercise its existing authorities under Federal law, including section 1222.

Sincerely,



Carl Zichella  
Director of Western Transmission  
NRDC



Chase Huntley  
Director, Renewable Energy Policy  
The Wilderness Society

## JOINT EVALUATION AND DEVELOPMENT AGREEMENT

### Plains & Eastern Clean Line Transmission Project

This Joint Evaluation and Development Agreement (“Agreement”) is made on this [\_\_\_] day of September, 2010, by and between the United States Department of Energy (“DOE”), DOE’s Southwestern Power Administration (“Southwestern”), Plains and Eastern Clean Line Holdings LLC (“Holdings”), Plains and Eastern Clean Line LLC (“Plains and Eastern”) and Plains and Eastern Clean Line Oklahoma LLC (together with Holdings and Plains and Eastern, “Clean Line”).

**WHEREAS**, on June 10, 2010, DOE published in the Federal Register a *Request for Proposals for New or Upgraded Transmission Line Projects Under Section 1222 of the Energy Policy Act of 2005* (75 Fed. Reg. 32940) (“RFP”); and

**WHEREAS**, under section 1222 of the Energy Policy Act of 2005 (“EPAAct 2005”) (42 U.S.C. 16421) the Secretary of Energy, acting through Southwestern, may design, develop, construct, operate, maintain, or own, or participate with other entities in designing, developing, constructing, operating, maintaining, or owning certain electric transmission facilities; and

**WHEREAS**, Clean Line and its parent company submitted to DOE and Southwestern, on July 6, 2010, a proposal in response to the RFP; and

**WHEREAS**, that proposal concerned the development and construction of the Plains & Eastern Clean Line, a transmission project consisting of two overhead high voltage direct current transmission lines that will be capable of moving more than 7,000 MW of power from renewable energy projects in western Oklahoma, southwestern Kansas and the Texas Panhandle to the Tennessee Valley Authority and the southeastern United States (the “Project” or the “Plains & Eastern Clean Line”); and

**WHEREAS**, Clean Line’s July 6 proposal complied with all requirements of the RFP, and DOE and Southwestern have determined that it was a complete proposal and responsive to the RFP; and

**WHEREAS**, DOE and Southwestern have completed an initial review of Clean Line’s proposal and have determined that the Project meets the eligibility requirements specified in the RFP – namely, that the Project meets, or will meet by the time the Secretary makes a final decision whether to proceed with the development of the proposed Project, the statutory eligibility criteria specified in section 1222 of the EPAAct 2005, and DOE, in accepting the amount of funds Clean Line proposes to contribute, would not exceed the \$100 million limit contained in EPAAct 2005 section 1222; and

**WHEREAS**, DOE and Southwestern are now prepared to evaluate the Project according to the criteria specified in the RFP and as required by applicable law; and

**WHEREAS**, DOE and Southwestern believe it is in the public interest and consistent with the Congressional intent of section 1222 to undertake these analyses for the Project and while doing so to negotiate appropriate agreements and actively participate with Clean Line in the development of the Project;

**NOW THEREFORE**, DOE, Southwestern and Clean Line (each a “Party” and collectively the “Parties”) agree as follows:

1. Eligibility Requirements. Based on their review of Clean Line’s July 6, 2010 proposal, DOE and Southwestern have determined that the Project meets the eligibility requirements specified in the RFP. Specifically, DOE and Southwestern have determined that:
  - a. The Project meets, or will meet by the time the Secretary of Energy makes a final decision whether to proceed with the development of the proposed Project, the statutory eligibility criteria specified in Section 1222 for new transmission facilities; and
  - b. DOE, in accepting the amount of funds Clean Line proposed to contribute, would not exceed the \$100 million limit on DOE’s ability to accept contributed funds before September 15, 2015 that is set forth in section 1222.
  
2. Project Evaluation.
  - a. Pursuant to the requirements of the RFP, and now that they have preliminarily determined that the Project meets the section 1222 eligibility criteria, DOE and Southwestern will undertake a complete evaluation of the Project. This will include, at a minimum, an evaluation of the following:
    - i. Whether the Project is in the public interest;
    - ii. Whether the Project will facilitate the reliable delivery of power generation by renewable resources;
    - iii. The benefits and impacts of the Project in each state it traverses, including economic and environmental factors;
    - iv. The technical viability of the Project, considering engineering, electrical, and geographic factors; and

- v. The financial viability of the Project.

3. Studies and Analyses.

- a. As a part of their evaluation of the Project and prior to a final decision by DOE on whether to participate in the development of the Project, DOE and/or Southwestern will participate in and seek prompt and favorable completion of the following Project studies and analyses:
  - i. System impact studies currently being performed by the Tennessee Valley Authority (“TVA”) and subsequent studies related to a TVA interconnection for the Project, such as facilities studies;
  - ii. Studies being directed by Clean Line with regard to Southwest Power Pool (“SPP”) Criteria 3.5 (including load flow analysis, short circuit studies, and dynamic stability); and
  - iii. Such other studies as are deemed necessary by Clean Line, SPP, TVA, or other affected entities for the successful development, construction and operation of the Project, including other transmission planning and reliability studies or engineering design studies.
- b. To facilitate DOE and Southwestern’s participation in the studies identified in this section 3, Clean Line will invite DOE and Southwestern to participate in meetings, share material information with DOE and Southwestern, and provide to them periodic updates regarding the status of any such studies.

4. National Environmental Policy Act of 1969.

- a. As a part of their evaluation of the Project, DOE and Southwestern will carry out and prepare appropriate analyses under the National Environmental Policy Act of 1969 (“NEPA”). DOE has concluded that it is necessary and appropriate that an environmental impact statement (“EIS”) be prepared with respect to the Project and the participation by DOE and Southwestern in the Project’s design, development, construction, operation, maintenance and/or ownership.
- b. Consistent with the requirement in 10 C.F.R. 1021.200 that DOE begin its NEPA reviews “as soon as possible after the time that DOE proposes an action or is

- presented with a proposal,” DOE and Southwestern will commence their NEPA preparation and analyses for the Project immediately.
- c. DOE and Southwestern will evaluate whether authority should be delegated to the Federal Energy Regulatory Commission (“FERC”) to act as lead agency in carrying out and preparing appropriate NEPA analyses for the Project. DOE will endeavor to make a final decision on any delegation, and if the decision is made to make a delegation to FERC, to execute such delegation and any related agreements such as funding agreements, within [COMPLETE] calendar days after the execution of this Agreement.
  - d. DOE and Southwestern (including their delegates) shall endeavor to enter into appropriate contracts with one or more contractors to assist in the preparation of necessary NEPA documents and analyses no later than [COMPLETE] calendar days after the execution of this Agreement.
  - e. DOE and Southwestern shall work with Clean Line to develop a Notice of Intent (“NOI”) to prepare an EIS for the Project and DOE’s and Southwestern’s participation in it. The Parties shall seek to finalize the NOI as promptly as possible after the execution of this Agreement, and DOE and Southwestern will seek to publish the NOI in the Federal Register no later than [COMPLETE].
  - f. After receiving public comments on the NOI, DOE and Southwestern will work with Clean Line to develop a mutually agreeable scope and definition of alternatives for the EIS. The Parties understand and agree that all final decisions relating to the scope of the EIS and other matters relating to the NEPA analysis for the Project rest with DOE and Southwestern (and their delegates, as appropriate).
  - g. No later than [COMPLETE] days after execution of this Agreement, DOE and Southwestern will supply to Clean Line a draft schedule for preparation of the EIS, as well as a proposed budget for expenses to be borne by Clean Line in connection with the preparation of DOE’s and Southwestern’s NEPA analyses including the EIS. DOE, Southwestern and Clean Line will work together to resolve any disagreements or concerns about the timing or costs estimated by DOE and Southwestern.
5. Contributed Funds.
- a. So as to avoid to the maximum extent possible the use of contributed funds that would count against the \$100 million limitation in EAct 2005 section 1222, DOE, Southwestern and Clean Line will, to the maximum extent legally permissible,

- acquire any services, goods or property necessary to be acquired by DOE or Southwestern to carry out the Project and that are to be paid for by Clean Line through arrangements whereby Clean Line and the entity from which DOE or Southwestern is acquiring such services, goods or property enter into a payment agreement calling for Clean Line to pay the entity directly for the costs of its services, goods or property.
- b. Pursuant to EPC Act 2005 section 1222(c), Clean Line will contribute, and DOE and Southwestern will accept and use, funds for the purpose of carrying out the Project. DOE's and Southwestern's use of these contributed funds is limited to the following purposes and uses only:
- i. The costs of non-governmental consultants and contractors, and of other Federal Government agencies (if provided for through an agreement under the Economy Act of 1932 with DOE or Southwestern), for their work in assisting DOE and Southwestern to evaluate and analyze the Project, including in connection with the preparation of appropriate NEPA analyses;
  - ii. When mutually agreed by the Parties, the cost of property rights that are acquired by Southwestern through condemnation proceedings; and
  - iii. Other Project-related costs as mutually agreed in advance and in writing by Clean Line, DOE and Southwestern.
- c. Prior to DOE or Southwestern employing any non-governmental contractor for work on the Project whose costs are to be paid with contributed funds provided by Clean Line, Clean Line must agree on the employment of the contractor and the terms of the contractor's employment. Clean Line understands and agrees that the services provided by such contractors shall be rendered for the benefit of DOE and Southwestern in connection with the Project and that DOE and/or Southwestern are the client(s) of such contractors.
- d. Funds contributed to DOE and Southwestern by Clean Line shall not be used to pay the salaries or costs of DOE or Southwestern personnel who carry out activities in connection with the Project unless Clean Line, DOE and Southwestern specifically otherwise agree in advance and in writing.
- e. Clean Line currently has available funds that it is ready, willing and able to contribute to DOE and Southwestern for their costs in carrying out the Project. DOE, Southwestern and Clean Line will immediately enter into discussions with the

objective of promptly agreeing upon a trust account arrangement whereby these funds can be made available to DOE and Southwestern.

6. Project Agreements.

- a. Immediately following the execution of this Agreement, and at the same time DOE and Southwestern (and/or their delegates) are carrying out appropriate NEPA analyses and other evaluation activities, DOE, Southwestern and Clean Line will commence negotiations concerning a definitive agreement (“Participation Agreement”), which will set forth the terms and conditions upon which DOE and Southwestern will participate in the development of the Project.
- b. Consistent with the limitations on DOE’s and Southwestern’s actions during the NEPA process as set forth at 40 C.F.R. 1506.1 and 10 C.F.R. 1021.211, DOE, Southwestern and Clean Line will negotiate, enter into and execute such other definitive agreements and/or documents as may be desirable and necessary to advance the Project, including without limitation the following:
  - i. A joint ownership, operations and maintenance agreement;
  - ii. Appropriate credit agreements, security documents, third party documents, consents and notices;
  - iii. Documents and agreements necessary and appropriate to enabling Clean Line to obtain private sector third-party financing for the Project; and
  - iv. Such other documents as the Parties may mutually agree.

7. Condemnation. DOE and Southwestern understand and agree that their ability to acquire through condemnation proceedings property necessary for the development, construction and operation of the Project is one of the primary reasons for Clean Line’s interest in developing the Project with DOE and Southwestern and through the use of EPC Act 2005 section 1222. DOE and Southwestern agree that, if the Secretary of Energy ultimately decides upon the conclusion of such evaluation as DOE and Southwestern deem appropriate that (i) the Project complies with section 1222, and (ii) to participate in the Project’s development pursuant to section 1222, then, DOE and Southwestern will use their condemnation authority as may be necessary and appropriate for the timely, cost-effective and commercially reasonable development, construction and operation of the Project.

8. Notices.

- a. Each Party shall keep the other Parties fairly and fully informed, consistent with any limitations imposed by law, about its actions to evaluate and pursue the development of the Project.
- b. Each Party shall notify the other Parties if there is a material change in the Party's views about the financial, technical or other merits of the Project.
- c. Clean Line shall notify DOE and Southwestern if there is a change in its financial condition that it considers to be material to the viability of the Project, or if Clean Line changes its plans concerning the Project in a way or manner that it believes would be material to DOE's and Southwestern's evaluation of the Project.
- d. Any and all notices and other communications required or permitted to be given pursuant to this Agreement or by law shall be in writing and shall be deemed given upon personal delivery, or upon receipt if sent by mail or courier. The Parties designate the following addresses for purposes of the foregoing (unless a Party elects to amend its address in a signed writing to the other Parties setting forth such a change, or unless a Party designates in a signed writing to the other Parties a particular person to receive specified types of communications):

i. [INCLUDE CONTACT INFORMATION FOR EACH PARTY]

9. Schedule. The Parties understand and agree that it is Clean Line's current expectation that the Project can and will achieve commercial operation in late 2015 and, consistent with the limitations on DOE's and Southwestern's actions during the NEPA process as set forth at 40 C.F.R. 1506.1 and 10 C.F.R. 1021.211, DOE and Southwestern will endeavor to work with Clean Line to ensure that the Project meets that schedule.

10. Confidentiality.

- a. Each Party shall, to the extent allowable by law, maintain the confidentiality of all the documents, data, and any other information provided to it by any other Party containing confidential, proprietary or market sensitive information.
- b. Disclosure by DOE or Southwestern of any documents or information provided by Clean Line shall be handled in accordance with applicable regulations and legal

requirements, including DOE’s regulations concerning compliance with the Freedom of Information Act.

- c. A Party is not required to maintain the confidentiality of information provided to it by another Party if the receiving Party is required by law to provide such information for disclosure, or the information becomes available to the public on a non-confidential basis (other than from the receiving Party).

11. Commitment of the Parties and of Public or Private Funds.

- a. The Parties shall not be bound by oral representations made during DOE’s and Southwestern’s evaluation of the Project or during any negotiations concerning the Project.
- b. No binding commitment, agreement, obligation, or right of any kind may be assumed or enforced by any of the Parties against any other Party except in accordance with duly executed agreements.
- c. The Parties understand and agree that any Party may for any reason and at any time decide to terminate its participation in this Agreement and in the evaluation and development of the Project; provided, however, that Southwestern may terminate its participation in this Agreement and in the evaluation and development of the Project only with the written approval of the Deputy Secretary of Energy. A Party must provide at least 30 days advance written notice to the other Parties of its intent to terminate its participation in this Agreement and in the evaluation and/or development of the Project.

12. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the United States of America, without giving effect to principles of conflicts of law.

13. Amendments. This Agreement may be amended at any time upon the mutual written agreement of all three of the Parties.

14. Severability. If any provision of this Agreement is held to be invalid, prohibited or unenforceable, it will be ineffective to the extent of such invalidity, prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement. Further and in such event, the Parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with provisions or agreements the effect of which is, to the maximum extent possible, equivalent to that of the prohibited or unenforceable provisions.

15. Authorization; Counterparts. The signatories to this Agreement represent that they are authorized to enter into this Agreement on behalf of the Party for which they sign. This Agreement may be executed by facsimile and in any number of counterparts.

(REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

The Parties below enter into this Agreement as of the date first written above.

UNITED STATES DEPARTMENT OF ENERGY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

SOUTHWESTERN POWER ADMINISTRATION

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

PLAINS AND EASTERN CLEAN LINE HOLDINGS LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

PLAINS AND EASTERN CLEAN LINE OKLAHOMA LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

PLAINS AND EASTERN CLEAN LINE LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_