

Plains & Eastern Clean Line

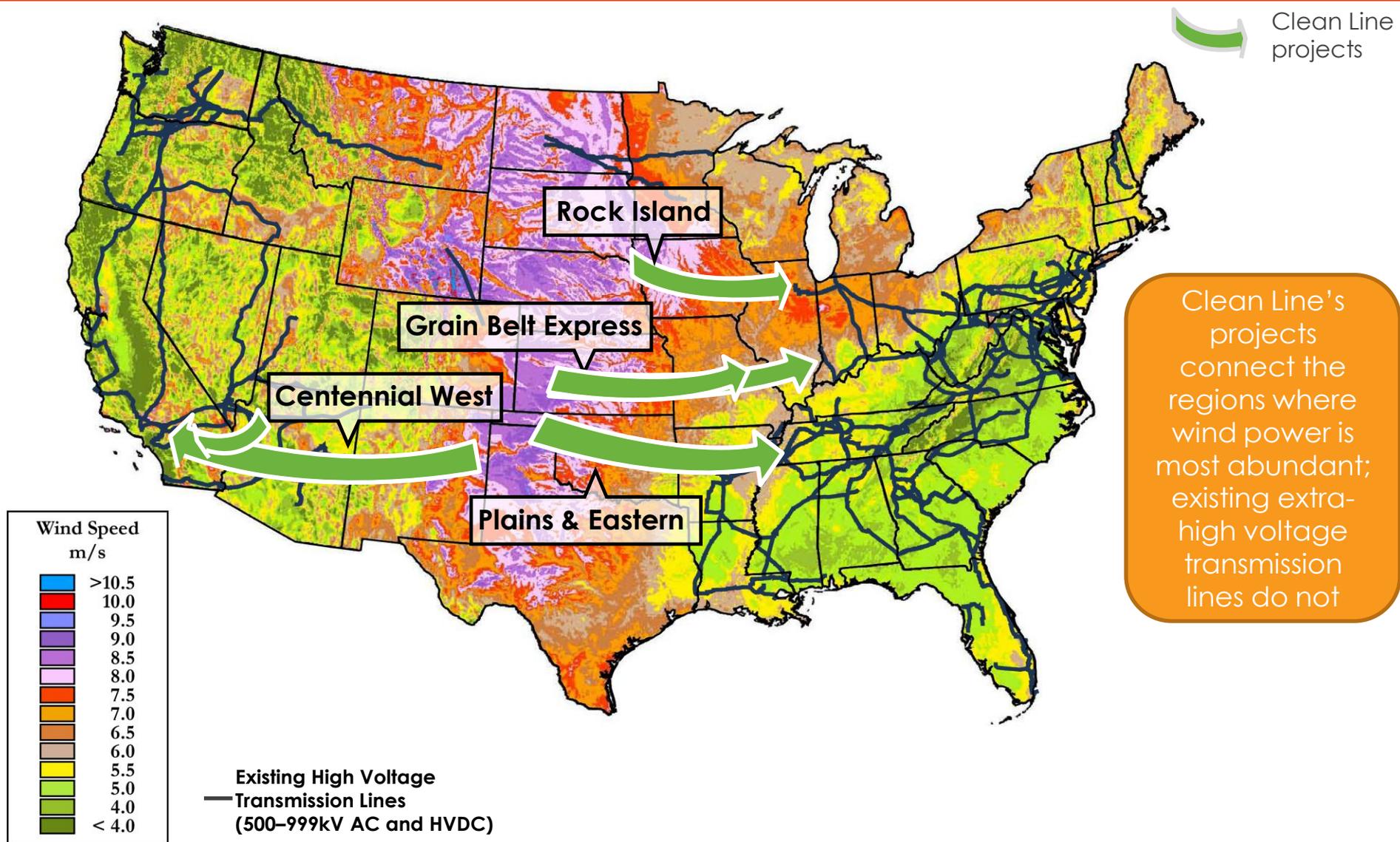
Presentation to the Joint Committee on Energy Arkansas Legislature

April 2012

CLEAN LINE
ENERGY PARTNERS



Clean Line's projects connect the best wind resources to load centers

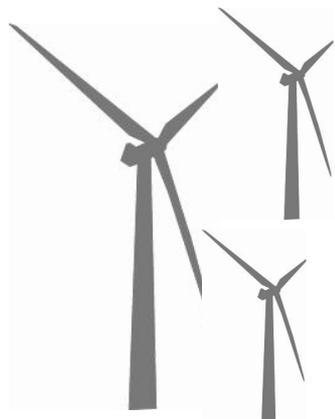


Clean Line Energy Partners

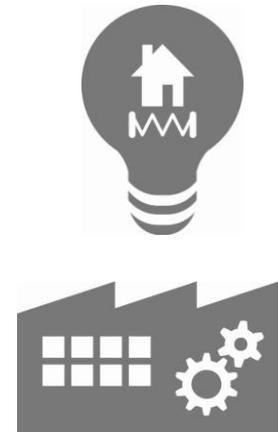
Entrepreneurial team, focus, and capital to connect renewable energy with demand

- Clean Line Energy focuses on building transmission lines to connect renewable resources to load centers
- Clean Line seeks to develop, own and operate long haul, high voltage direct current (HVDC) transmission lines across the United States, helping solve one of the most vexing challenges to a cleaner energy future
- Clean Line's principals, partners and investors bring unique perspective, experience and focus to transmission development along with a track record of success in energy project development

Strong wind resources



Large demand centers

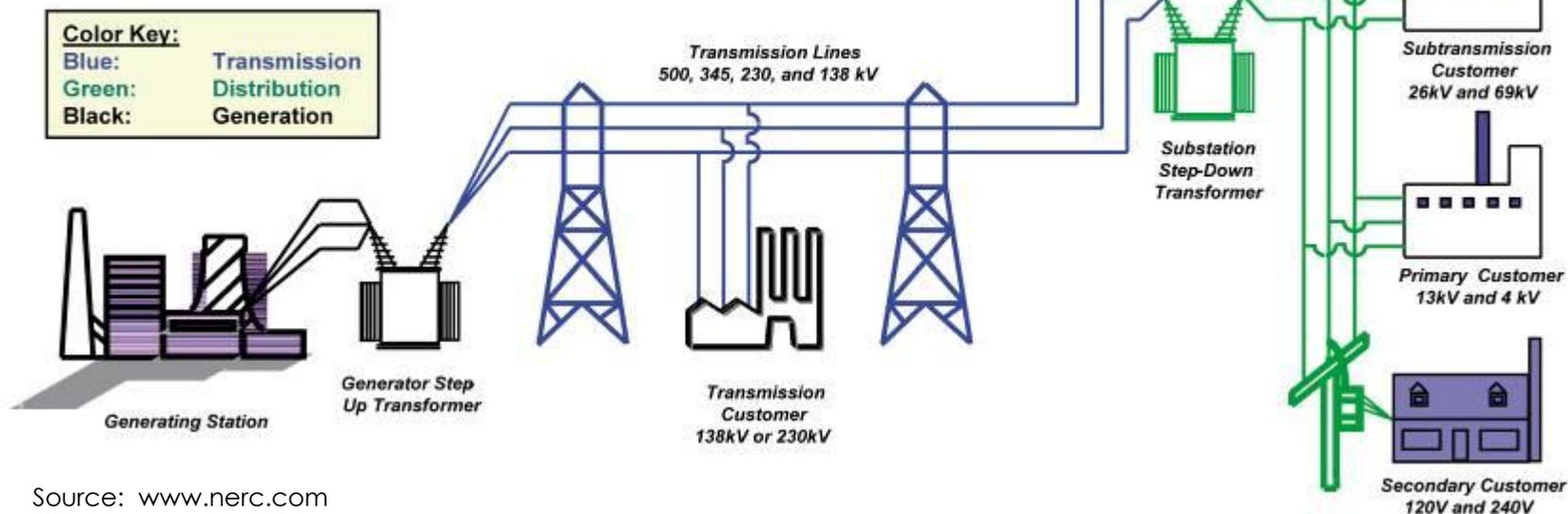


HV→DC

Integrating large clean energy sources with demand centers

Transmission critical link connecting sources like wind with distribution and customers

Basic Structure of the Electric System



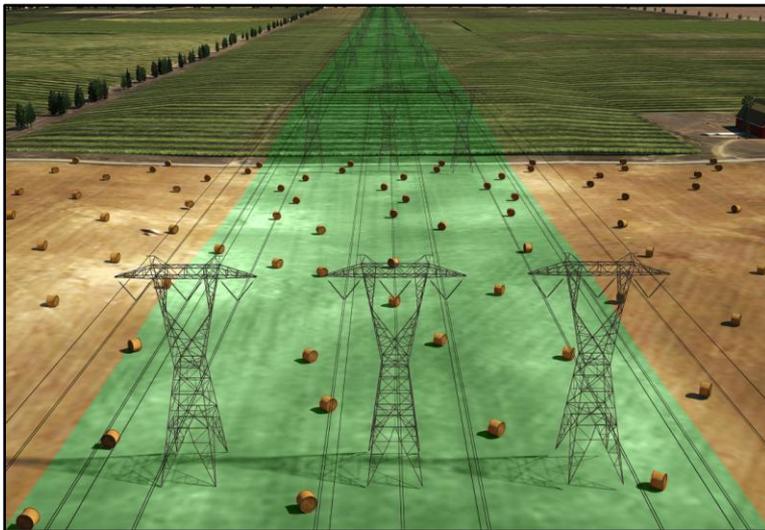
Source: www.nerc.com

Generation Source	Part of total energy (2009)
Coal	45 %
Natural Gas	23 %
Nuclear	20 %
Wind and other renewables	4 %
Hydroelectric	7 %
Petroleum, other gases, other	2 %

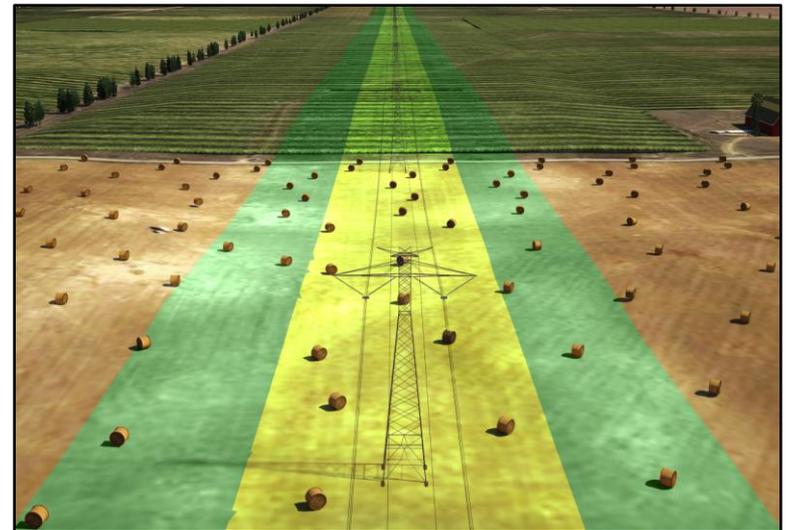
Source: US Energy Information Administration

HVDC is the most efficient method to transmit large amounts of electricity over long distances

- More efficient — Lower line losses
- Lower cost — Requires less infrastructure, results in lower costs and lower prices for delivered renewable energy
- Improved reliability — Control of power flow enhances system stability and lowers cost of integrating wind
- Smaller footprint — Use narrower right-of-way than equivalent Alternating Current (AC)



AC Footprint

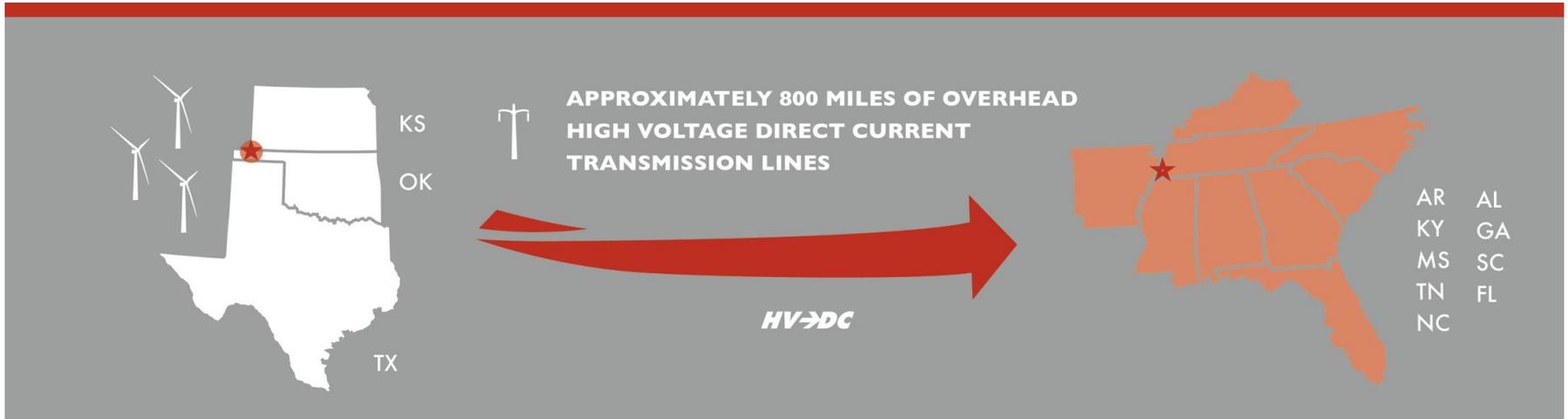


DC Footprint

Plains & Eastern Clean Line represents significant investment and large benefits

PLAINS & EASTERN

CLEAN LINE



10,000 +
direct jobs during
construction



PROPERTY TAX REVENUE

Transmission pays
property taxes to
counties

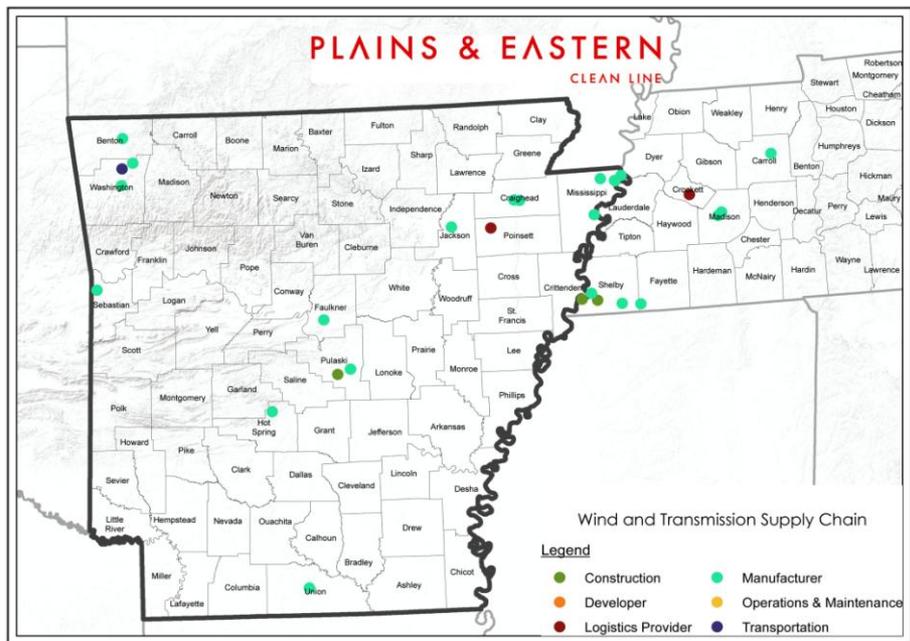


1000 +
direct jobs during
operation



Support clean
energy
manufacturing

Plains & Eastern Clean Line results in large economic benefits to Arkansas



MORE THAN 15 WIND ENERGY SUPPLY CHAIN COMPANIES LOCATED IN ARKANSAS



HUNDREDS OF CONSTRUCTION JOBS

CLEAN LINE ENERGY PARTNERS



INCREASED MARKET COMPETITION BENEFITS ELECTRICITY CONSUMERS



PROPERTY TAX REVENUE

MILLIONS OF ANNUAL PROPERTY TAXES SUPPORT LOCAL COMMUNITIES



HOSPITAL



SCHOOL

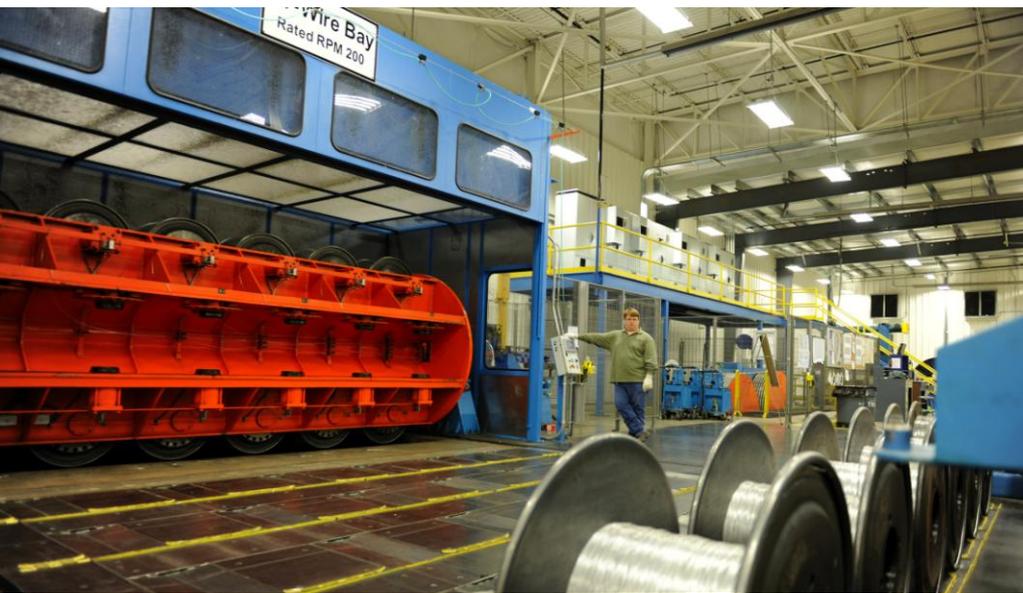


FIRE TRUCK

Strategic alliances enhance the supply chain for local benefits

The Plains & Eastern Clean Line will use approximately:

- 3470 transmission structures
- 25 million feet of conductor
- 121,450,000 pounds of steel for the structures
- 138,000 cubic yards of concrete for foundations
- 11.7 million pounds of steel and 51 million pounds of aluminum for the conductor and metallic return



General Cable facility in Malvern, Arkansas



- Construction of the line will also provide opportunities for other Arkansas businesses

Plains & Eastern Clean Line results in cleaner air and better conservation of water resources



ENVIRONMENTAL BENEFITS

CO₂

14 million tons
carbon dioxide
reduced

SO₂

38 thousand tons
sulfur dioxide reduced

NO_x

9 thousand tons
nitrogen oxide reduced

HG

90 pounds
mercury reduced

H₂O

1.3 million acre-feet
saved

Source: ICF, June 2010.

Environmental responsibility and stakeholder engagement are at the center of the business



- Environmental responsibility principles
 - Avoid, minimize, then mitigate any adverse impacts
 - Assure compliance with all environmental regulations
- Working directly with Nature Conservancy and other conservation groups

- Transparent and direct communication
 - Held more than 1200 meetings with stakeholders
 - Met with more than 270 representatives of state and federal agencies and conservation organizations
 - Visited officials in more than 30 counties in 3 states as well as local conservation districts, school boards, farm bureaus, Native American tribes
 - Received more than 770 pages of recorded comments in favor of the Plains & Eastern Clean Line
 - 35 community roundtable meetings earlier this year – 15 in Arkansas

Building constructive relationships with landowners is critical for Clean Line



Clean Line will work with landowners to:

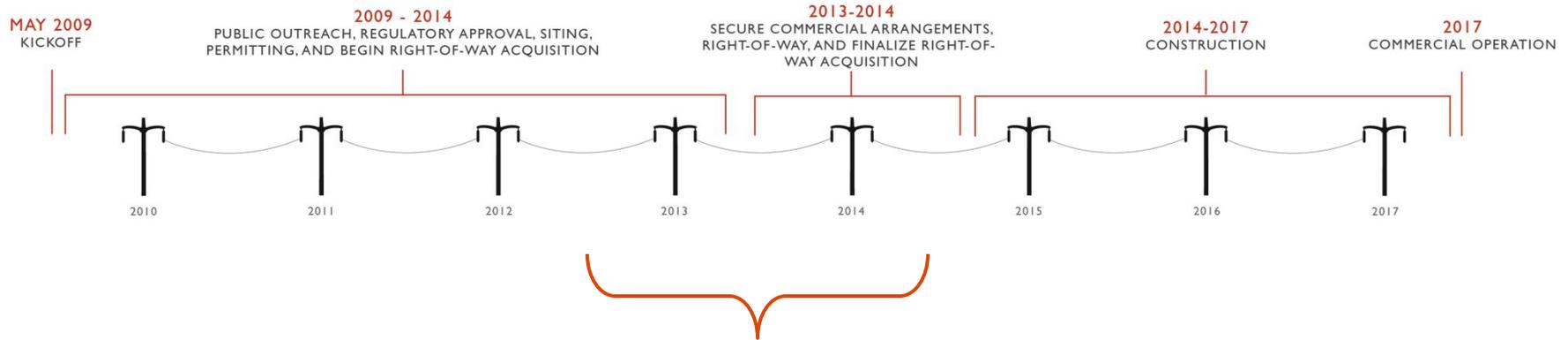
- Communicate plans with landowners prior to construction
- Consider land use impact when choosing structure design and route
- Restore fields impacted by construction
- Compensate for any crop damage

LANDOWNER CODE OF CONDUCT

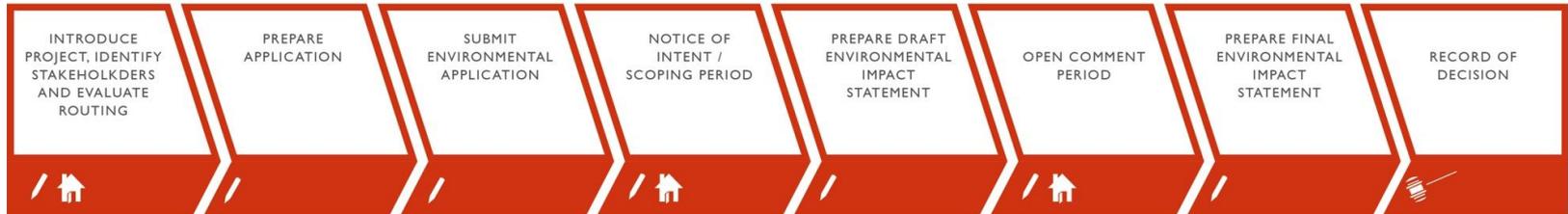
Clean Line Energy's Code of Conduct details how Clean Line employees and contractors must treat landowners in a fair and respectful manner.

Takes many years to pull together approvals and permits but the project will provide long term benefits

PLAINS & EASTERN CLEAN LINE SCHEDULE



NEPA ENVIRONMENTAL REVIEW PROCESS



PUBLIC INVOLVEMENT OPPORTUNITIES



STAKEHOLDER FEEDBACK



OPEN HOUSE

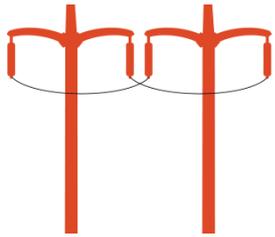


OFFICIAL DECISION

The Plains & Eastern Clean Line supports economic growth and enhanced quality of life for Arkansans



Jobs



Infrastructure



Cleaner energy at competitive prices

PLAINS & EASTERN
CLEAN LINE

www.plainsandeasterncleanline.com