

January 30, 2018

The Honorable James Richard Perry
Secretary of Energy
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585

Dear Secretary Perry,

On December 22, 2017, Clean Line withdrew the Plains and Eastern Clean Line project from the Tennessee Valley Authority (TVA) interconnect study. Completion of the study was a pre-condition set out by the Department of Energy (DOE) before the DOE would participate in condemning Arkansas properties.

The TVA would have been Clean Line's largest customer, buying 3,500MW of the 4,000MW that Clean Line proposed to transmit. However, the TVA declined to purchase any power transmitted by Clean Line.

On December 23, 2017, Clean Line sold the Oklahoma portion of the Plains and Eastern transmission line to NextEra. Clean Line kept the Arkansas portion of the project stating that, maybe at some future point, they might use the assets.

On January 11, 2018, Clean Line withdrew from the Midcontinent Independent System Operator (MISO), a regional transmission organization, interconnect study. MISO was expected to purchase the remaining 500MW transmitted by Clean Line. With this withdrawal, Clean Line no longer met any interconnect study requirements set out by the DOE. Clean Line never secured any customers for this project.

On January 23, 2018, the entire Arkansas federal delegation wrote to you and requested that the DOE pause or terminate the Participation Agreement (Agreement) it entered into with Clean Line during the Obama administration.

In Arkansas, there are people who signed easements in the counties along the Clean Line route. Clean Line recorded the easements in the various courthouses, but paid only a portion of the money due for the easements. As a result, there are people who have not received full compensation, but now have clouds on their title.

Additionally, landowners waived their homestead rights on the easements, thereby affecting the homestead exemption taxes on these strips of land. It is doubtful that Clean Line will complete the on-going payments due to these landowners.

Furthermore, as the Agreement between the DOE and Clean Line still exists, people who are in the route are still affected, whether they signed easements or not. Real estate law requires landowners to disclose the existence of potential encumbrances when selling property.

As the Plains and Eastern Clean Line project has changed significantly, and as the pre-conditions set out by the DOE can no longer be met, those in opposition, as well as the federal legislators, feel that this is not the project in which the DOE agreed to participate.

Under the Agreement, the DOE may terminate its contract with Clean Line on December 31, 2018, if construction has not begun on the project. Due to the first time use of Section 1222 of the 2005 Energy Act, the people of Arkansas have been left in an isolated situation. We have been unplugged from the generation source, wind farms in Western Oklahoma, and from the end users, the TVA and MISO. The people of our state are left with easements leading nowhere and are unable to sell their properties due to the shadow still cast by the nearly dead Clean Line project.

Therefore, as members of the Arkansas Joint Energy Committee, we write to you on behalf of the people of Arkansas and request the termination of the Agreement between the DOE and Clean Line for the Plains and Eastern transmission line.

Sincerely,