

CLEAN LINE ENERGY UPDATE

January 29, 2018

TIME LINE:

- 1) On 12/22/17, Clean Line withdrew the Plains and Eastern project from the Tennessee Valley Authority (TVA) interconnect study. Completion of the study was a pre-condition set out by the Dept. of Energy (DOE) before they would participate in condemning Arkansas properties. The TVA refused to purchase any power transmitted by Clean Line. The TVA would have been Clean Line's largest customer, buying 3,500MW of the 4,000 Clean Line proposed to transmit.
- 2) On 12/23/17, Clean Line sold the Oklahoma portion of the Plains and Eastern transmission line to NextEra.
- 3) Clean Line kept the Arkansas portion of the project stating that, maybe at some future point, they might use the assets.
- 4) On 1/11/18, Clean Line withdrew from the Midcontinent Independent System Operator (MISO), a regional transmission organization, interconnect study. MISO was to have bought the remaining 500MW transmitted by Clean Line. With this withdrawal, Clean Line no longer would meet any interconnect study requirements set out by the DOE. Clean Line never secured any customers for this project.
- 5) On 1/23/18, the entire Arkansas federal delegation wrote DOE Sec. Rick Perry requesting that the DOE pause or terminate the Participation Agreement they had entered into with Clean Line during the Obama administration.

CONCLUSIONS:

There are people who have signed easements in all counties along the Clean Line route. Clean Line has paid only a portion of the money due for the easements, but, they have recorded the easements in the various courthouses. So, these people now have clouds on their title and have not received all their money. In addition, 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 these landowners.

Also, because the DOE/Clean Line contract 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.

Because the project has changed significantly, and because none of the pre-conditions set out by the DOE can now 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. The Participation Agreement allows the DOE to terminate the contract on 12/31/18, if construction has not commenced on the project. Because of the first time use of Sec. 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, we request that the Arkansas Joint Energy Comm. also write Sec. Perry on behalf of the people of Arkansas, and request that the DOE Participation Agreement with Clean Line for the Plains and Eastern transmission line be terminated.