

Plainsandean

From: Luis Contreras <doccontreras@gmail.com>
Sent: Monday, June 08, 2015 5:36 PM
To: Plainsandean
Subject: P&E Clean Line Part 2 – Section 1222
Attachments: Clean Line makes false claims to get public support - June 8 2015.pdf

June 8, 2015

P&E Clean Line Part 2 - Section 1222

Dear Secretary Moniz,

Clean Line is not a solution to climate change. P&E Clean Line is an illegitimate attempt to take private property using eminent domain.

1. CLEP is not a "green" environmental group
2. CLEP is ignoring state and federal transmission siting processes
3. CLEP is soliciting public support with false claims.

Please deny DOE participation on the P&E project.

Respectfully,

Dr. Luis Contreras
Eureka Springs, AR 72613

1. CLEP is not a "green" environmental group

Hydraulic Fracturing or "fracking" is the process of drilling and injecting fluids into the ground at high pressure to fracture shale rocks and release natural gas. Up to 600 chemicals are used in fracking fluid, including known carcinogens and toxins. During the fracking process, methane gas and toxic chemicals leach out and contaminate ground water. Methane concentrations are 17 times higher in drinking water wells near fracking sites than normal wells. Public health studies show sensory, respiratory and neurological damage from drinking contaminated water. The waste fluid is left in open-air pits releasing harmful volatile organic compounds polluting the atmosphere, and creating acid rain and ground level ozone.

Shale oil was sold as the answer to "energy independence" ignoring health and environmental hazards and strong public opposition.

Ziff investments in fracking are well known. The Ziff family provided seed money for the goliath Och-Ziff Capital Management Group hedge fund. A \$14 Million 2008 investment on tribal land in North Dakota's Bakken Shale basin, sold two years later for \$949 Million.

2. CLEP is ignoring state and federal transmission siting processes

CLEP has dismissed state agencies and energy planning processes. Case in point: after the MO PSC denied the Grain Belt Express Application last week, Mark Lawlor, Director of Development said "if the PSC rejects this project, Clean Line will not give up, it could pursue federal eminent domain authority through DOE, an approach it is pursuing in Arkansas after the state denied approval for P&E."

3. CLEP is soliciting public support with false claims.

In a desperate last minute effort, Clean Line is using two online petitions with *false claims on the benefits of the project*. CLEP has demonstrated arrogance, greed and deception for private financial gains.

The online comments from the Change.org petition: "Tell Secretary Moniz to support the delivery of **low-cost clean energy** to consumers," should be ignored by DOE. The Change.org petition does not follow the guidelines for the P&E Clean Line Part 2 Section 1222 review. There are no references to the new Application or the supporting documents, and there is no information on the people joining the petition. The online opinions supporting P&E are uninformed and irrelevant. Only comments sent to DOE by landowners and people residing in the traversed territory, based on information from public meetings on the project and the 3,000 plus page EIS should be considered by DOE.

P&E's online petition tries to bypass the federal review DOE NEPA process. Is P&E going to use online public petitions to set rates or anything else they need to make quick profits?

Over 8,000 people have joined the P&E Clean Line petition based on **false claims** made on the benefits of the project, with no information on the cost to landowners or the environment.

Here are some of the benefits mentioned in the online petition:

- Achieve significant reductions in pollution and water use
- Provide affordable reliable electricity to consumers
- Privately financed and not dependent on Federal subsidies
- Pro-jobs, pro-consumer, pro-environment for a clean energy future

If all these benefits were true and accurate, and there were no environmental costs, violations of private property rights, or superior energy alternatives, everyone, should endorse P&E.

Clean Line Energy has a problem separating fiction and facts.

Let's review the claims on the P&E petition:

• **Achieve significant reductions in pollution and water use**

FALSE: The wind blows when the wind blows, that is how the wind works. Wind power is only available an average of 10 hours per day, peaking in the middle of the night. P&E will **not** reduce the need for baseload plants to meet customer demand. In fact, P&E would carry coal power at least 14 hours per day. With coal-made electrons on the line 60 percent of the time, how can this be a "clean" line?

Intermittent, variable, not-dispatchable bulk wind power creates load-balancing challenges for the grid. Natural gas plants and other fast dispatchable resources must be available at all times to quickly balance the grid, to maintain signal frequency and quality.

- o To deal with climate change, air pollution, water quality and droughts, the simple way is to consume less electric energy and waste none making the best use of the power generated. People control the amount and timing of the load.
- o Managing demand is better than having standby natural gas plants.
- o Local and community solar distributed generation systems with maximum output matching peak demand, installed in days, and battery storage are the best way to deal with our climate emergency.

• **Provide affordable reliable electricity to consumers**

FALSE: Wind energy is unreliable and high-cost. Yes, the marginal cost of industrial wind turbines is low but no baseload plants will be taken

out of service. TVA proved this point. The TVA Board uses least-cost power in their IRP. In 2014 TVA decided to build a 1,000 MW natural gas plant refusing to purchase power from P&E, at a cost of \$987 Million to build the new Allen plant. P&E does not have a PPA with TVA or any other utility. *There is no demand for high-cost, low-value wind energy!*

- **Privately financed and not dependent on Federal subsidies**

FALSE: P&E is only a HVDC extension cord. To provide 4,000 MW of power, it needs wind farms with over 2,000 wind turbines. Wind farms are built by wealthy investors to avoid paying income taxes, using IRS accelerated depreciation and other subsidies. Warren Buffet said it best: without the production tax credit (PCT) and other federal incentives, there would be no wind farms. Buffet loves wind farms; he hates to pay taxes.

- **Pro-jobs, pro-consumer, pro-environment for a clean energy future**

FALSE: like the XL Pipeline, promises of thousands of new jobs, are made by P&E with no guarantees. Repeating the party line "Clean Line will create thousands of jobs" with the same script does not make dreams come true. When cornered, Mario Hurtado, and all the Clean Line officers know how to dance and avoid the issue. AEP and all other real utilities use expert crews, helicopters and heavy equipment to build transmission lines. These crews move on to the next line. Even if Clean Line wanted, there is no time to hire and train local crews, and at most it would be a temporary job while the line is built. CLEP makes identical promises to all other states for the other projects. It is not nice to make promises you can't keep.

- **P&E is pro-consumer**

FALSE: There is no evidence this project would improve service reliability, signal quality, lower customer rates, make the grid secure, prevent blackouts, etc. P&E is proposing a merchant

transmission line connecting generation and distribution utilities. This false statement is mentioned only to get public support.

- **P&E is pro-environment**

FALSE: *The claim about environmental protection is outrageous.* How can you destroy a strip of land 200-foot wide 750 miles long and pretend there are no environmental issues? AEP and other real transmission companies, use herbicides on a regular basis on the ROW and hot-wash with helicopters to clean line insulators (carbon from bird feces is a great conductor - it has to be removed from a live 600 kV line). Here are some ways P&E would harm the environment:

- Temporary roads need to be built, and trees on the ROW will be cut and burned onsite.
- Construction of the wind farms is part of this project even if paid by third party: No P&E = No need for 2,000 wind turbines.
- Wind turbines are now 150 tall. The cement alone needed for the foundation of 2,000 turbines is massive.
- Cement and steel plants are major polluters, transporting all the massive equipment and supplies to the various sites would create major carbon emissions.
- Industrial wind turbines with many moving parts require preventive maintenance and repairs. Repairs are done off-site in turbine repair shops located far away from the wind farms, with long lead times for repair and test.
- The intermittent nature of wind power will not shut down fossil fuel plants; additional stand-by power would be required.

The pro-environment claim is an illusion based on the false idea "remote bulk wind power" is low-carbon. Yes, wind turbines have no emissions, but the total carbon footprint of the new wind farms and the P&E transmission line makes this an unacceptable project

References

P&E Clean Line Petition

*Tell Secretary Moniz to support the delivery of **low-cost clean energy** to consumers*

The Plains & Eastern Clean Line transmission project is critical to continuing the nation's leadership in clean energy production by delivering low-cost wind energy from the wind-rich Oklahoma Panhandle region to utilities and customers in Arkansas, Tennessee, and other markets in the Mid-South and Southeast.

Increasing the availability of low-cost, clean energy will achieve significant reductions in pollution and water use, while providing affordable and reliable electricity to American consumers.

The Plains & Eastern Clean Line also benefits local communities by stimulating economic development and creating new jobs. The transmission project is an example of the free-market at work: privately financed and not dependent on federal subsidies.

The Plains & Eastern Clean Line is a unique opportunity to bring together private investment, public benefits, and government leadership to add substantial new renewable generation to the country's energy mix. It is a pro-jobs, pro-consumer, pro-environment public energy infrastructure project that will modernize America's grid and create a cleaner energy future.

The U.S. Department of Energy is currently deciding whether to approve the Plains & Eastern Clean Line transmission project. Tell Energy Secretary Ernest Moniz to support more renewable energy and 21st century infrastructure today!

<https://www.change.org/p/tell-energy-secretary-ernest-moniz-to-support-development-of-21st-century-infrastructure-to-deliver-low-cost-renewable-energy-to-consumers>

Petitioning Senator John Boozman and 5 others

Tell Our Leaders in Congress to Support Clean Energy Jobs in Arkansas

Arkansans know that investing in the future just makes sense. That's why it's easy to support projects that bring new investment, support hundreds of local jobs, and benefit local communities. And when those projects also provide cleaner, low-cost electricity to Arkansas, we know it's the right thing to do.

That's why we support the Plains & Eastern Clean Line transmission project that will bring low-cost, clean, abundant wind power to Arkansas and other states in the Mid-South and Southeast.

The Plains & Eastern Clean Line project will bring at least \$500 million in new investment to Arkansas and support hundreds of construction and manufacturing jobs, including employment for workers at the General Cable manufacturing plant in Malvern.

Additionally, the Clean Line project will provide nearly \$5 million in tax revenues each year to Arkansas counties along the transmission line route that will benefit local schools and community services.

For consumers, the project will double the amount of wind energy currently purchased in Arkansas, enough to power more than 160,000 Arkansas homes with low-cost clean power.

Bringing down electricity prices and building up a 21st century clean energy economy is something we can all agree on. Sign now to support clean energy jobs in Arkansas.

<https://www.change.org/p/tell-our-leaders-in-congress-to-support-clean-energy-jobs-in-arkansas>

Ziff investments

Ziff investments are not environmental projects, as Clean Line claims. Here are some online references to fracking.

Hydraulic fracturing

Hydraulic fracturing, or "fracking", is the process of drilling and injecting fluid into the ground at a high pressure in order to fracture shale rocks to release natural gas inside. There are more than 500,000 active natural gas wells in the US.

<http://www.dangersoffracking.com>

Frackademia: People & Money Behind the EDF Methane Emissions Study

September 16, 2013

UT-Austin has released the Steering Committee roster for the study. It consists of lead author David Allen, two EDF employees, and nine oil industry representatives, including lobbyists and PR staff from ExxonMobil, Shell, Southwestern Energy and more.

The long-awaited Environmental Defense Fund (EDF)-sponsored hydraulic fracturing ("fracking") fugitive methane emissions study is finally out. Unfortunately, it's another case of "frackademia" or industry-funded 'science' dressed up to look like objective academic analysis.

While Julian Robertson served as one key seed donor to TKT Midstream, so too did the Ziff family, most famous as owners of Ziff Davis Media. The Ziffs provided seed funding for the goliath Och-Ziff Capital Management Group hedge fund overseen by Daniel Och and also own Ziff Brothers Investments and its subsidiaries.

Och-Ziff teamed up with Schlumberger to lease the drilling rights to 85,800 acres in 2007 and 2008 on tribal land located in North Dakota's Bakken Shale basin, paying \$14 million for the acreage.

"Less than two years later, the Och-Ziff group sold the rights for \$949 million," reported The Wall Street Journal of the incredible return on the group's initial investment.

<http://www.desmogblog.com/2013/09/16/frackademia-people-money-behind-edf-fracking-methane-emissions-study>

Shale-Oil Boom Divides Reservation

North Dakota Tribes Say Their Leaders Leased Land for Low-Ball Prices;
FBI, IRS Investigate Deals

WSJ, Feb. 28, 2013

FORT BERTHOLD INDIAN RESERVATION, N.D.—The shale-oil boom in North Dakota gave the Mandan, Hidatsa and Arikara Indians here the chance to become some of the wealthiest tribes in U.S. history.

<http://www.wsj.com/articles/SB10001424127887323293704578331030315441350>

Land Grab Cheats North Dakota Tribes Out of \$1 Billion

<http://www.propublica.org/article/land-grab-cheats-north-dakota-tribes-out-of-1-billion-suits-allege>

Ziff Brothers & Athabasca Oil Sands Corp

Wednesday, February 18, 2015

As a venture capital project, Athabasca has had its problems. Just before the IPO, Athabasca sold a substantial portion of its reserves to PetroChina. Athabasca's main marketable asset is the potential reserves. Ziff Brothers, as a venture capital investment company, the goal is not to develop the asset in the long term but maximize short-term profits. One method used by venture capitalists is to divide a company up to sell assets before the IPO. In this instance, Athabasca profits were not reinvested, but went to the pockets of the investment companies. The Ziff's pocketed 240 million dollars.

<http://ridiculousricl.blogspot.com/2015/02/ziff-brothers-athabasca-oil-sands-corp.html>

Athabasca Oil Tar Sands: An environmental nightmare

Buried under Canada's boreal forest is one of the world's largest reserves of oil. Bitumen, a very thick and heavy form of oil, coats grains of sand and other minerals in a deposit that covers about 54,900 square miles of northwest Alberta. According to a 2003 estimate, Alberta has the capacity to produce 174.5 billion barrels of oil.

Only 20 percent of the oil sands lie near the surface where they can easily be mined, and these deposits flank the Athabasca River.

The rest of the oil sands are buried more than 75 meters below ground and are extracted by injecting hot water into a well that liquefies the oil for pumping.

In 2010, surface mines produced 356.99 million barrels of crude oil, while in situ production (the hot water wells) yielded 189.41 million barrels of oil.

<http://earthobservatory.nasa.gov/Features/WorldOfChange/athabasca.php>