From: <u>Marshall Hughes</u>

To: <u>Plainsandeastern; Colamaria, Angela</u>
Subject: Plains and Eastern Clean Line
Date: Friday, July 10, 2015 2:52:49 PM

I am writing in opposition to the Plains and Eastern Clean Line project. This project does not qualify for Section 1222 approval, and it should be dismissed.

Section 1222 requires:

- ii. The proposed Project must be consistent with both:
- (A) Transmission needs identified, in a transmission expansion plan or otherwise, by the appropriate Transmission Organization (as defined in the Federal Power Act, 16 U.S.C. 791a et seq.) if any, or approved regional reliability organization; and (B) efficient and reliable operation of the transmission grid

This project has not been determined needed by any appropriate Transmission Organization as defined. Clean Line cannot be allowed to self determine need based solely on their desire to operate for profit in the transfer of electricity. Furthermore, they have not demonstrated any need (aka purchase contracts) for any power that they may generate, nor do they have any supply side contracts in place - there are no towers currently existing to "feed" these lines.

Additionally, their claim that this project will generate millions of dollars to the local economies is suspect, at best. Since they were not recognized as a transmission authority by the Arkansas PSC, they cannot legally own any transmission facilities in Arkansas. If given 1222 approval, they would partner with SWPA, who would in turn own the facilities in Arkansas. Given that SWPA is a federally tax exempt organization, there is no guarantee that any payments would be made to the local governments - be they counties, schools, hospital districts, libraries, etc. There have been, to the public's knowledge, no signed agreements with any local governments and Clean Line. Furthermore, if Clean Line does stand up and pay the amounts promised, what is to say that if they are bought out, the successor company would continue to make the payments? Arkansas has received millions of dollars in tax revenue from the gas produced from the Fayetteville Shale formation. Those drilling companies have generated millions of dollars in ad valorem tax payments to the local governments of the state. Southwestern Energy (SWN), the fourth largest producer of natural gas in the country, and the largest operator in the Fayetteville Shale, has stated in their own EIS comment that this project, if approved, would be detrimental to their further development of producing gas reserves in the State. Additionally, it would negatively impact the already existing production on line. And that is separate of any potential severe negative impacts on their existing pipelines from electric discharge from these lines.

Finally, the process with which DOE has taken with regards to this Project opens both the Applicant and the DOE to ongoing costly legal battles in the future. There were public hearings held in the affected areas for the EIS, but none for the 1222 comment period, which is the most important aspect of this as far as community involvement is concerned. The Applicant has an abysmal track record of keeping affected landowners up to date, let alone even aware of the fact that they may be affected. DOE has not undertaken a rule making for 1222, but rather has taken a fly by the seat of their pants approach.

There is no need for the Project. No Transmission Organization has approved of the Project.

The Project does nothing to generate efficiencies in a place where there are inefficiencies in the transmission grid.

Deny their application of 1222 status, and let the landowners and citizens of Arkansas go back to our normal lives without the threat of a private for profit speculative company using a never before used, and badly written, law to take our property.

Thank you for your consideration,

Marshall Hughes Searcy, AR