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July 1, 2015

Via Electronic Filing and
Via Federal Express

Tennessee Regulatory Authority
c/o Sharla Dillon, Dockets and Records Manager
502 Deaderick Street, 4th Floor
Nashville, Tennessee 37243



Re: ***In the Matter of the Petition of Plains and Eastern Clean Line LLC for a
Certificate of Convenience and Necessity Approving a Plan to Construct a
Transmission Line and to Operate as an Electric Transmission Public Utility***
Docket No. 14-00036

Dear Chairman Allison:

We are enclosing the original plus four (4) copies of the Plains and Eastern Clean Line LLC's Semi-Annual report requested by the Tennessee Regulatory Authority in its Order of May 5, 2015 in the above docket.

If further information is needed from us or from Plains and Eastern Clean Line, please let us know.

Sincerely yours,

A handwritten signature in black ink, appearing to read "L. Cash", is written over the typed name.

Larry L. Cash

LLC/dac
Enclosure
cc: Mark Smith

**Plains and Eastern Clean Line LLC
Semi-Annual Report
July 1, 2015**



In its May 5, 2015 Order in Docket No. 14-00036, the Tennessee Regulatory Authority (“TRA”) directed Plains and Eastern Clean Line LLC (“Plains and Eastern”), a wholly owned subsidiary of Clean Line Energy Partners LLC (“Clean Line”), to provide semi-annual reports to the TRA, beginning July 1, 2015. This is Plains and Eastern’s first such report regarding the overall status of the Plains & Eastern Clean Line (the “Project”) in Tennessee.

SEMI-ANNUAL REPORT:

1. Department of Energy Environmental Review

The Department of Energy (“DOE”), working with Southwestern Power Administration (“Southwestern”) and six federal cooperating agencies, is conducting an Environmental Impact Statement (“EIS”) review pursuant to the National Environmental Policy Act (“NEPA”) in order to evaluate the potential impact of Southwestern’s participation in the Project and to share this evaluation with the public. See also the pre-filed testimony of Mr. Hurtado, pages 16-19.

On December 12, 2014, DOE released the Draft *Environmental Impact Statement for the Plains & Eastern Clean Line Transmission Project*. The Draft EIS and all supporting impact studies provided to the DOE concerning the environment and wildlife are published online.¹ The Draft EIS did not identify widespread impacts as a result of construction or operation of the Project. Clean Line anticipates that the implementation of environmental protection measures would avoid and/or minimize potential adverse environmental effects.

On December 17, 2014, the Federal Register published the Notice of Availability for the Draft EIS, commencing the public comment period. During January and February of 2015 DOE held 15 public comment hearings across the project area to solicit public comments on the Draft EIS. That comment period concluded on April 20th, 2015. DOE will consider and respond to comments received during the comment period in the Final EIS, which is expected to be released in the fourth quarter of 2015.

Clean Line was designated by DOE as a non-federal representative for purposes of consultation with the U.S. Fish and Wildlife Service (“USFWS”) on the Project pursuant to section 7(a)(2) of the Endangered Species Act. In its role as the designated non-federal representative, Clean Line met and corresponded with representatives from USFWS Regions 2 and 4 as part of the informal consultation on the Project, including on matters related to the preparation of a Biological Assessment. On March 27, 2015, DOE, Southwestern and Tennessee Valley Authority (“TVA”) requested the initiation of formal consultation and conference with the USFWS under Section 7(a)(2) of the Endangered Species Act on the potential effects of federal agency actions relating to the Project on endangered, threatened and candidate species as well as designated critical habitat.

In addition, DOE authorized Clean Line to participate as a non-federal consulting party in the Section 106 National Historic Preservation Act consultation for the Project and to initiate consultation with the relevant State Historic Preservation Offices (“SHPO”). In its role as a non-federal consulting party, Clean Line met and corresponded with representatives of the Tennessee Historical Commission, the Oklahoma Historical Society, the Arkansas Historic Preservation Program, and the Texas Historical Commission several times since 2012 regarding the identification and treatment of historic properties. Clean Line also

¹ The full text of the Draft EIS, appendices and references are available on the U.S. Department of Energy’s website here: <http://plainsandeasterneis.com/draft-eis/category/13-draft-eis.html>.

participated in DOE's government-to-government consultation meetings with federally recognized Indian Tribes and other federal agencies participating in the Section 106 consultation. DOE, Clean Line, the SHPOs and the federally-recognized Indian Tribes are continuing to meet regularly to develop a Programmatic Agreement addressing historic properties.

2. DOE Review pursuant to Section 1222 of the Energy Policy Act of 2005

In June 2010, DOE published a Request for Proposals for New or Upgraded Transmission Line Projects under Section 1222 of the Energy Policy Act of 2005 (the "RFP"). In response, Clean Line submitted an application for the Project. DOE concluded that Clean Line's proposal was responsive to the RFP. See also the pre-filed testimony of Mr. Hurtado, pages 9-10.

In December 2014, DOE requested updates and additions to Clean Line's application. Clean Line submitted information responsive to that request, called the Part 2 Application.² The updated Part 2 Application and supporting documentation are now available for a public comment period. The public comment period began April 28, 2015 and will end July 13, 2015. DOE's review will include non-NEPA factors such as the Project's technical and financial feasibility and whether the Project is in the public interest. DOE will consider all criteria listed in Section 1222 of the Energy Policy Act of 2005, as well as all factors included in DOE's RFP.

3. TVA Interconnection Process

TVA is currently working on a Facilities Study. This study is a result of Plains and Eastern's interconnection request under TVA's Large Generator Interconnection Procedures ("LGIP"). The TVA Interconnection System Impact Study ("ISIS"), completed in March 2014, identified the need for certain system improvements as a result of the interconnection. The Project will be able to interconnect to the TVA system prior to the completion of all the upgrades, subject to completion of those connection facilities required for the safe and reliable interconnection, at TVA's discretion, pursuant to an interconnection agreement. The Facilities Study will provide specific details of the improvements identified in the ISIS, including a construction schedule for all the identified system improvements and the connection facilities.

As part of the TVA LGIP Memphis, Light, Gas & Water ("MLGW") also performed an Affected System Impact Study ("ASIS") and identified the need for small modifications at an MLGW substation in order for the Project to interconnect reliably. Also as part of the TVA LGIP, TVA and Plains and Eastern worked with Entergy and its Independent System Operator, the Mid-Continent Independent System Operator ("MISO"), to perform an ASIS to ensure the reliable interconnection of the Project. MISO completed the ASIS and issued a report in May 2015, which concluded that the Project's interconnection in TVA did not have any adverse impacts on Entergy's or the rest of MISO's operating footprint. Thus, no system improvements are required in Entergy or the rest of MISO to accommodate the Project's interconnection in TVA.

4. Routing and Easements with Property Owners in Tennessee

As of this report, there has been no change in the number of signed easements since the Petition was filed with the TRA. Easement agreements have been signed with the owners of 40 out of the 50 parcels on which easements will be required for the transmission line in Tennessee. Negotiations continue with landowners representing the remaining ten parcels. There have been no modifications to the Proposed Right-of-Way since it was filed with the Tennessee Regulatory Authority. However, upon closer review

² The Part 2 Application and supporting documentation are available on the U.S. Department of Energy's website here: <http://www.energy.gov/oe/downloads/plains-eastern-clean-line-transmission-line-part-2-application>.

of the original Exhibit C map attached to Plains and Eastern's Petition, it has come to our attention that a portion of the route depicted on such map was inadvertently mislabeled. The segment of the route that runs north to south along Coon Valley Road in the northeastern portion of the route was depicted on such map as running along the eastern side of Coon Valley Road. It should have been on the western side of Coon Valley Road, as that was the landowners' preference. The route alignment on the west side of Coon Valley Road has no effect on the of list affected tracts; Exhibit D, as filed with the Petition remains the same.