



ATTORNEYS AT LAW

SUITE 1200 VOLUNTEER BUILDING
832 GEORGIA AVENUE
CHATTANOOGA, TENNESSEE 37402-2289
(423) 756-6600
FAX (423) 785-8480

Larry L. Cash
Direct Dial (423) 785-8394
Direct Fax (423) 321-1694
lcash@millermartin.com

December 31, 2015

Via Electronic Filing and USPS

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 Ms. Dillon:

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-referenced docket.

With the original of this filing, we are also submitting Attachment 1 as a Confidential document to be filed under seal, pursuant to Section 7 of the Protective Order dated May 6, 2014. We have included a spacer page for the public version of the filing.

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. L. Cash".

Larry L. Cash

LLC:cjb

Enclosure

cc: Erin Szalkowski, Esq.
Mark W. Smith, Esq.

**Plains and Eastern Clean Line LLC
Semi-Annual Report
December 31, 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 second 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

On November 13, 2015, the Department of Energy (DOE) published in the Federal Register a Notice of Availability announcing the issuance of the Final Environmental Impact Statement for the Plains & Eastern Clean Line transmission project. The Final EIS presents the results of DOE’s three-year environmental review that was carried out in consultation with Southwestern Power Administration and in accordance with the National Environmental Policy Act. DOE’s participation in the project under Section 1222(b) of the Energy Policy Act of 2005 would be limited to states in which Southwestern operates. Southwestern does not operate in the State of Tennessee. Therefore, while the Final EIS analyzes the potential environmental impact of the entire project, DOE did not indicate a preference for the location of the DC transmission line or the converter station in Tennessee. In Tennessee, the proposed right-of-way for the direct current transmission line is consistent with the route approved by TRA’s May 2015 order.

On November 25, 2015, pursuant to the May 5, 2015 Order Granting Certificate of Public Convenience and Necessity in Docket No. 14-00036 before the Tennessee Regulatory Authority (TRA), Plains & Eastern Clean Line filed a copy of the Final EIS with the TRA.

On November 20, 2015, pursuant to Section 7 of the Endangered Species Act, the United States Fish and Wildlife Service (USFWS) issued its Biological Opinion for the Project. The Biological Opinion is confidentially submitted as Attachment 1 to this report.

The DOE has concluded its government-to-government consultation pursuant to Section 106 of the National Historic Preservation Act. On December 7, 2015, DOE signed a Programmatic Agreement with the Advisory Council on Historic Preservation, the necessary State Historic Preservation Officers and Indian Tribes, describing the ongoing obligations all parties have in protecting and minimizing impacts to cultural and tribal resources during the construction and operation of the Project. Signatories to the agreement include TVA and the Tennessee State Historic Preservation Office. The Programmatic Agreement is an appendix to the Final EIS, which was submitted on November 25, 2015.

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

Since the date of the last report, the public comment period on Clean Line’s Section 1222 Part 2 Application has closed, and the Proposal is under review by DOE. Clean Line expects a Record of Decision (ROD) will include DOE’s decision on whether and how DOE and Southwestern would participate in the project and the agency’s decision regarding preferred locations for project facilities in Oklahoma and Arkansas.

3. TVA Interconnection Process

TVA is currently working on a Facilities Study to support Plains & Eastern's interconnection request under TVA's Large Generator Interconnection Procedures. The Facilities Study will provide specific details of the improvements identified in the Interconnection System Impact Study, including the construction schedule for all the identified system improvements and the connection facilities. Clean Line anticipates that the Facilities Study will be completed in the summer of 2016, followed by the negotiation and execution of an Interconnection Agreement.

4. Bluescape Resources Investment in Clean Line

On July 13, 2015, Bluescape Resources, a private energy investment and operating company in Dallas, Texas made an equity investment in Clean Line. The investment resulted in the addition of two members to the Clean Line Board, but there has been no change in control or transfer of authority at Plains and Eastern. Clean Line notified the TRA of the investment on July 22, 2015.

5. Routing and Easements with Property Owners in Tennessee

Since the date of the last report, one additional easement has been signed, resulting in signed easement agreements with owners of 41 out of the 50 parcels on which easements will be required for the transmission line in Tennessee. Negotiations continue with landowners representing the remaining nine parcels. There have been no modifications to the Proposed Right-of-Way since it was filed with the Tennessee Regulatory Authority.

**UNITED STATES FISH AND WILDLIFE SERVICE
BIOLOGICAL OPINION**

Confidential Attachment 1

Filed Under Seal