

# Congress of the United States

Washington, DC 20510

May 13, 2014

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T.R.A. DOCKET ROOM

Mr. Bill Johnson  
Tennessee Valley Authority  
400 West Summit Hill Drive  
Knoxville, TN 37902

Dear Mr. Johnson,

We write today to seek your assistance in answering several questions about Clean Line Energy Partners' proposal for TVA to purchase a large amount of wind energy that would be generated in the panhandle region of the State of Oklahoma and transported over 700 miles to Memphis.

- 1) Does purchasing electricity from this distance increase security threats to the TVA's power supply? Former U.S. Secretary of State George Schultz has said we should pay attention to generating more energy where we use it because of national security risks.
- 2) What is the cost of purchasing wind electricity compared to TVA generating or purchasing other types of electricity generation?
- 3) There is substantial opposition in Congress to the wind production tax credit. Will TVA ratepayers be at risk of increased rates if the wind production tax credit is not renewed?
- 4) What is the reliability of purchasing wind power as compared to other types of electricity generated by natural gas, nuclear, coal, or hydropower?
- 5) TVA's peak power demands tend to be between 4:00pm and 7:00pm and wind tends to mostly blow at night. How does wind power fit into TVA's overall demand structure if the electricity isn't being produced when TVA needs it the most?
- 6) At a roundtable in September 2013, hosted by Senators Corker and Alexander, you said that TVA didn't need additional electricity generation capacity as the result of reduced electricity demand. Has this projection changed?
- 7) If the projection for TVA's electricity demand has changed since September 2013, does it make more sense to purchase this wind power from Clean Line Energy Partners, to build additional nuclear capacity, or to build additional natural gas or coal capacity?
- 8) Does Clean Line Energy Partners' proposal require the use of eminent domain in order to acquire any right-of-way for this project? How many land owners or homeowners will be impacted by the use of eminent domain, what specific lands will be acquired and where are they located?
- 9) Can you explain how Clean Line Energy Partners plans to compensate any landowners or homeowners who are affected by eminent domain?

- 10) How will the price of compensation be determined? Does Clean Line Energy Partners have a specific formula when compensating for land purchased under the use of eminent domain?
- 11) What funding stream will Clean Line Energy Partners use to compensate landowners and homeowners for the land purchased under eminent domain?

When evaluating Clean Line Energy Partners' proposal we hope that TVA will first consider whether TVA needs additional generation capacity and then determine the best option to produce clean, cheap, and reliable electricity for rate-payers in the TVA region. We appreciate your assistance in answering these questions, and please do not hesitate to contact Curtis Swager (202-224-4944) in Senator Alexander's office and Jim Hall (202-225-4714) in Congressman Fincher's office if you have any questions. Thank you again and we look forward to your response.

Sincerely,



Lamar Alexander  
United States Senate



Stephen Fincher  
United States Representative

CC: Mr. William B. Sansom, Chairman, TVA Board of Directors  
Ms. Marilyn A. Brown, TVA Board of Directors  
Ms. V. Lynn Evans, TVA Board of Directors  
Ms. Barbara S. Haskew, TVA Board of Directors  
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Mr. James Allison, Chairman, Tennessee Regulatory Authority