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CLEAN LINE ENERGY SIGNS PROJECT OWNERSHIP OPTION AGREEMENT WITH EAST TEXAS COOPERATIVES

May 7, 2015 – Clean Line Energy (Clean Line) today announced an agreement with the East Texas Cooperatives that provides the cooperatives with an option to own up to 50 megawatts (MW) of capacity on the Plains & Eastern Clean Line and a portion of the project’s assets. The Plains & Eastern Clean Line will deliver more than 3,500 MW of low-cost wind power from the Oklahoma Panhandle region to utilities and customers in Arkansas, Tennessee, and other markets in the Mid-South and Southeast. The East Texas Cooperatives include four Generation and Transmission cooperatives throughout East Texas – East Texas Electric Cooperative (ETEC), Northeast Texas Electric Cooperative (NTEC), Sam Rayburn Generation and Transmission Cooperative (SRG&T) and Tex-La Electric Cooperative of Texas (Tex-La) – and collectively serve ten not-for-profit distribution cooperatives serving approximately 330,000 member-owners. For many decades, the East Texas Cooperatives have made it possible for thousands of residents and businesses in their service territories to take advantage of the lowest-cost, reliable energy available.

Edd Hargett, General Manager of ETEC said, “The agreement with Clean Line allows us to potentially realize the benefits from owning important new energy infrastructure while maintaining our commitment to provide long-term, reliable and affordable electric power to our members.”

The Plains & Eastern Clean Line represents a \$2 billion investment in infrastructure that will provide low-cost renewable energy to the Mid-South and Southeast regions of the United States, areas currently lacking access to renewable, affordable energy. The Plains & Eastern Clean Line will help unlock more than \$6 billion in investments in new wind farms that could not otherwise be built due to the limitations of the existing electric grid. The infrastructure project will create demand for thousands of jobs in manufacturing, construction, and operations while meeting the increase in demand for additional electric transmission capacity to deliver renewable energy.

“We are thrilled to sign an agreement with the East Texas Cooperatives allowing the option to own a part of the Plains & Eastern Clean Line. As the permitting and regulatory processes advance, we look forward to welcoming more participants in the project,” said Michael Skelly, President of Clean Line. “This is a great step forward for the Plains & Eastern Clean Line and we commend the East Texas Cooperatives for their commitment to adopting innovative infrastructure in order to improve clean energy delivery while keeping costs low.”



Clean Line has submitted an application with the Southwestern Power Administration and the Department of Energy (DOE) regarding their potential participation in the Plains & Eastern Clean Line project pursuant to Section 1222 of the Energy Policy Act of 2005. Congress passed the Energy Policy Act of 2005 as bipartisan legislation. Section 1222 of the Act is intended to foster private sector/public sector cooperation to upgrade or build new transmission projects. In Section 1222, Congress authorized the Western Area Power Administration and Southwestern Power Administration to participate in the design, development, construction, operation, maintenance, or ownership of transmission lines with third-parties in the states where these agencies already operate. Southwestern Power Administration markets hydroelectric power in Arkansas, Kansas, Louisiana, Missouri, Oklahoma, and Texas from 24 U.S. Army Corps of Engineers multipurpose dams. It also operates and maintains 1,380 miles of high-voltage transmission lines and substations. Three Generation and Transmission members of the East Texas Cooperatives (NTEC, SRG&T and Tex-La) are major customers of Southwestern Power Administration. Prior to making a determination on whether to participate in the proposed project under Section 1222, DOE must complete its environmental review pursuant to the National Environmental Policy Act, as well as technical and financial reviews pursuant to Section 1222.

Construction of the Plains & Eastern Clean Line is estimated to begin in 2016 and will require approximately two to three years to complete. The Plains & Eastern Clean Line is expected to begin delivering electricity as early as 2018 and will provide clean power to more than one million American homes, providing public benefits for years to come.

More information on the Plains & Eastern Clean Line can be found at www.plainsandeasterncleanline.com.

About Clean Line Energy Partners: Clean Line's mission is to connect abundant, renewable energy resources to areas that have a high demand for clean, reliable energy. Clean Line is developing a series of transmission projects to move renewable energy to market. For more information, please visit www.cleanlineenergy.com.

About the East Texas Cooperatives: The East Texas Cooperatives include four Generation and Transmission (G&T) cooperatives throughout East Texas and collectively serve ten not-for-profit distribution cooperatives serving approximately 330,000 member-owners. The four G&T cooperatives include: East Texas Electric Cooperative, Northeast Texas Electric Cooperative, Sam Rayburn Generation and Transmission Cooperative, and Tex-La Electric Cooperative of Texas. For many decades, the East Texas Cooperatives have made it possible for thousands of residents and businesses in their service territories to take advantage of the lowest-cost, reliable energy available.