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CLEAN LINE ENERGY SIGNS MEMORANDUM OF UNDERSTANDING WITH TENNESSEE VALLEY AUTHORITY MEMPHIS LIGHT, GAS, AND WATER DIVISION BOARD OF COMMISSIONERS ENDORSES HVDC TRANSMISSION TO DELIVER CLEAN ENERGY TO WESTERN TENNESSEE

HOUSTON, TX (October 25, 2011) – Clean Line Energy Partners LLC (Clean Line) is pleased to announce a Memorandum of Understanding (MOU) between Plains and Eastern Clean Line LLC and Tennessee Valley Authority (TVA), a corporation owned by the U.S. government which generates electricity for nine million people in parts of seven southeastern states at prices below the national average. The purpose of the MOU is to identify the full range of benefits that high voltage direct current (HVDC) transmission projects may provide to TVA’s stakeholders and to explore non-discriminatory methods for TVA to utilize independent transmission as a means to improve system reliability, increase resource flexibility, and enhance the potential for the integration of renewables. This new MOU takes Clean Line one step closer in its efforts to connect low-cost clean energy to consumers across the Mid-South and Southeast regions.

Building on Memphis’ heritage as “America’s distribution center,” the Plains & Eastern Clean Line transmission line project will help position Memphis as the 21st century hub for clean energy distribution in the Southeast by delivering clean energy from western Oklahoma, southwest Kansas, and the Texas Panhandle to TVA, Arkansas, and other eastern markets. Support for HVDC lines to deliver cost-effective clean energy is growing throughout Memphis and the Southeast. The Memphis, Light, Gas and Water (MLGW) Division Board of Commissioners recently passed a resolution unanimously in support of the development and implementation of clean energy transported by HVDC transmission to western Tennessee. The board also noted in the resolution that it will work cooperatively with TVA to bring additional low-cost, clean energy to benefit MLGW’s customers.

“Clean Line would like to thank TVA and the Memphis, Light, Gas and Water board for their continued support as we develop the Plains & Eastern Clean Line project,” said Michael Skelly, Clean Line Energy



President. “The support of TVA and MLGW is valuable in our quest to provide thousands of megawatts of low-cost, clean energy to Tennessee and points farther east. Innovative transmission projects like the Plains & Eastern Clean Line will provide thousands of American jobs and spur economic development.”

The Plains & Eastern Clean Line transmission line project will consist of approximately 800 miles of overhead, HVDC transmission lines that will allow TVA, Arkansas, and other eastern markets to receive more than 7,000 megawatts of new, clean energy from the Great Plains at competitive prices. This low-cost clean energy is enough to power approximately two million homes.

The MOU outlines that TVA will continue to perform collaborative and/or independent technical wind integration studies to support identification and quantification of benefits to TVA from the Plains & Eastern Clean Line. The agreement also notes that:

- TVA and Clean Line will conduct studies to identify the benefits of HVDC to TVA.
- Clean Line and TVA will continue to collaboratively and/or independently explore and develop structures whereby TVA can utilize the Plains & Eastern Clean Line and/or other similar transmission projects to enhance stakeholder value.

High voltage direct current transmission lines are the most efficient method to transmit large amounts of electricity over long distances. HVDC has technical benefits, including lower line loss and power flow control, which will strengthen the existing grid and continue to ensure reliability. Clean Line is committed to developing its projects responsibly in a manner that safeguards the environment, respects property rights and helps to build and maintain strong communities.

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, low-cost, reliable energy. Clean Line is developing a series of high voltage direct current transmission projects to move clean energy to market. For more information please visit www.CleanLineEnergy.com.