550 South Caldwell Street
Suite 600 / NAS06
Charlotte, NC 28202

o: 704.382.7172
Brendan.Andrew@Duke-Energy.com

Aug. 11, 2021

Ms. Diana Wood
Office of Environmental Assessment
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423

Subject: Ken Tenn Regional Rail Partners, Inc. – Proposed Railroad Line in Fulton County, KY and Obion County, TN ("Ken Tenn Railroad Line")

Dear Ms. Wood,

This correspondence is being submitted on behalf of Duke Energy Sustainable Solutions in response to a request by the Surface Transportation Board ("STB") for comments relating to the proposed alternate routes for the Ken Tenn Railroad Line. We appreciate the opportunity to provide input on the STB's ongoing environmental review and assessment of the Ken Tenn Railroad Line.

Duke Energy Sustainable Solutions currently has signed leases on five distinct parcels in Obion County, Tennessee, totaling more than 700 acres ("the Leased Properties") for long-term ground lease and associated easement rights as part of a planned solar energy project.

	OWNER	LOCATION	TAX PARCEL ID #	ACREAGE
SOWELL PARCEL	Landon Sowell	3330 Armstrong Road	011 024.00	208 acres
WHITLEDGE PARCEL	Joshua Whitledge	3523 Armstrong Road	024 006.01	220 acres
MILLER PARCEL	Michael and Kimberly Miller	Browder Road North	024 009.00	73 acres
SMITH FAMILY PARCEL 1	Smith Family Living Trust	3421 Armstrong Road	011 024.01	108 acres
SMITH FAMILY PARCEL 2	Smith Family Living Trust	Armstrong Road	024 006.00	119 acres

As shown on the enclosed concept overlay, Duke Energy Sustainable Solutions ("DESS") has secured rights to build and operate a 58.5 MW solar facility known as the Reelfoot Solar Project on the Leased Properties for a period of forty years or more. DESS is a well-known owner and operator of approximately fifty utility-scale solar plants across the United States that provide solar energy for numerous public and private utilities, municipalities, and electric cooperatives as well as private businesses. The Tennessee Valley Authority ("TVA") is pursuing contracts to serve large customer load from data centers and manufacturing facilities, with solar energy being integral to the TVA's economic development mission. The Reelfoot Solar Project is well-positioned to provide solar energy to customers throughout the TVA footprint due to its mature development stage and beneficial location on the transmission system.

Development of the Reelfoot Solar Project has been ongoing since 2017. The project has been through the System Impact and Facilities Studies of the TVA interconnection process. As a result, the costs to connect to the transmission system are known; in fact, DESS executed an Engineering & Procurement Agreement with TVA in June 2021 and has begun making payments to design and construct the interconnection facilities required as a part of the E&P Agreement. The goal of the Reelfoot Solar Project is to generate and sell energy to the TVA under a power purchase agreement ("PPA"). Duke Energy has recently bid the Reelfoot Solar Project into the 2021 TVA Renewables RFP for the purpose of winning and entering into a long-term PPA for the project output. If a PPA is awarded, Duke Energy will exercise its rights on the Leased Properties immediately and begin construction of its project. The anticipated Commercial Operation Date of the project is in November, 2024.

DESS has reviewed the seven proposed routes for the Ken Tenn Railroad Line, and in particular the current alternates known as Options 1 and 7. It has determined that out of all seven options, Option 7 is the sole preferred route because it will result in the least amount of impact to the Reelfoot Solar Project as well as to the Leased Properties. The legal and physical footprint of Option 7 encompasses an abandoned railroad line adjacent to the Leased Properties. It is the only route that does not encroach directly into and bifurcate the Leased Properties. Under Option 7, the Reelfoot Solar Project will be adjacent to approximately 1,370 yards of the Ken Tenn Railroad Line on the border of the Whitledge and Miller Parcels. We assume the Ken Tenn Railroad Line will require additional land on either side for buffer or setback. The abandoned railroad line provides this with the existing setback within the right of way, thus reducing the potential loss of developable area for the solar project.

The other proposed options, including Option 1, will result in a direct encroachment into four of the five Leased Properties – the Smith Family Parcels, the Whitledge Parcel, and the Miller Parcel. This encroachment will eliminate a large portion of the planned solar facility, significantly reducing the area for installing and maintaining the solar panels. As a result, the facility could not be built to the optimal design as conceived and bid in the RFP. This puts the PPA at risk as the project may not be able to generate the production promised to TVA in the bid. Without the PPA, DESS would be unable to invest in the solar facility.

If the Ken Tenn Railroad Line is to move forward, we strongly recommend the STB select Option 7, which will support the line without impacting the future supply of renewable energy to the TVA.

We are available to answer questions and engage in additional discussions and look forward to hearing from you.

Sincerely,

Brendan S. Andrew, Development Manager
Duke Energy Sustainable Solutions