

Advocates for the Oak Ridge Reservation

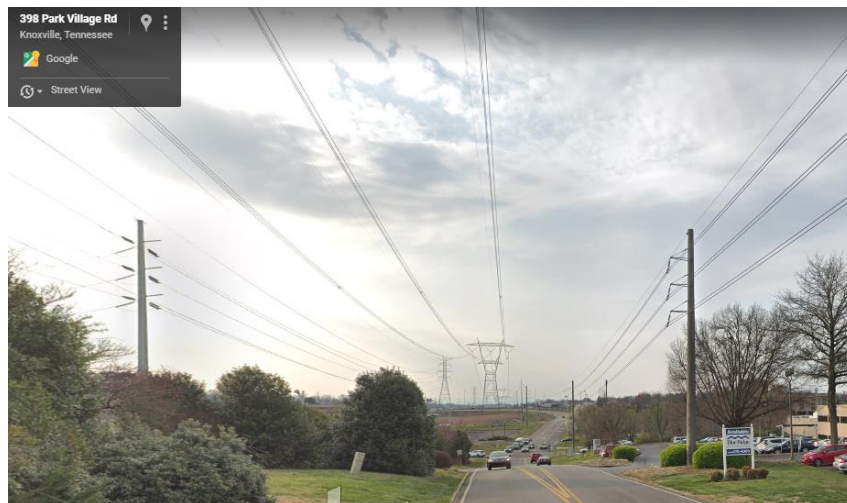
January 29, 2020

Mark Watson, Oak Ridge City Manager
Jack Suggs, Electric Department Director, City of Oak Ridge

Subject: Proposed new power line for Horizon Center adjacent to Black Oak Ridge Conservation Easement (BORCE)

Gentlemen:

Advocates for the Oak Ridge Reservation (AFORR) understands more power is needed if the Horizon Center is ever to fulfill its objective to be fully developed and utilized as an industrial park. We appreciate the economic benefits that the Horizon Center may provide to the City of Oak Ridge. However, we strongly support that the new line follow the existing 13-kV line for reasons outlined herein. A 69-kV line along Blair Road combined with above-ground power on Horizon Center streets could deliver needed power; as could either an “underbuild” or separate line in parallel with TVA’s 500-kV line across McKinney Ridge, utilizing the existing RoW which has been cleared for over a half-century. It is common in neighboring Knox County for multiple T&D lines, spanning a wide range of voltages, owned/operated by different entities, to run in parallel within a shared RoW. For example, at least four different voltage lines can be seen in the figure below, captured at I-40 North Cedar Bluff exit.



The BORCE was established in 2007 as a settlement in lieu of payment under Natural Resources Damages Assessment (NRDA) for toxic contamination of Watts Bar Reservoir. At that time, 3073 acres were set aside as compensation and in recognition of the recreation and ecological services provided by BORCE. The present value for recreation (e.g., hiking) that was to be provided by the BORCE *in perpetuity* (according to the terms of the easement) was \$250,000 per year or \$6.6 million lump sum (in 2006\$). Considered as an annuity, this benefit stream is worth at least \$10 million lump-sum in today’s dollars (using the long-term discount rate of 1.5% stipulated by the U.S. treasury for federal projects), perhaps even \$20 million. These multi-million-dollar values far eclipse the expected capital cost of the entire 69-kV line, let alone the relatively minor difference between an environmentally-sensitive route and an ecologically destructive path. Moreover, numerous witnesses will attest that far more people use the BORCE today than its architects first imagined two decades ago. The ecological benefits (e.g., conservation of habitat for threatened and endangered species) were valued at 441,000 present-value acre-years of ecological services.

AFORR is concerned that the proposed powerline routing will impact both ecological and recreational services. We note that the oft-cited "Cannon & Cannon" report of 2013, which recommended a number of options for meeting prospective additional power needs, explicitly based their analysis on their assumption that the environmental value was zero dollars. Our analysis above shows that this assumption is not tenable, then or now. In stark contrast, as documented in the CityBluePrint public process, Oak Ridge residents and voters place the **highest** value on preserving natural resources such as this greenway.

Furthermore, the Finding of No Significant Impact (FONSI) specifically provides that the natural areas within Horizon Center must be protected under National Environmental Policy Act (NEPA) rules, as a mitigation for the transfer by DOE to CROET and development of Horizon Center in the first place. The Environmental Assessment that resulted in the FONSI **requires**:

- "Mitigation of impacts to ecological resources focuses on the preservation of corridors & buffers for aquatic biota, terrestrial wildlife & plant communities by their exclusion from development."
- A natural corridor system, minimum 200 ft. wide, shall be retained to connect bottomland habitat to upland hardwood habitat north of the parcel
- Roads and utility extensions shall not cross natural areas NA-46 and NA-47
- "DOE shall have the right to terminate the lease with ETEC should the lessee and/or sublessees fail to implement the mitigation defined in this FONSI"

Any proposed changes to the BORCE must be approved by the Natural Resource Trustees, which are the State of Tennessee, Tennessee Valley Authority, US Fish and Wildlife Service, and the Department of Energy (DOE). In addition, the NRDA process may require an economic evaluation and approval by concerned stakeholders.

We thank you for consideration of these concerns.

Sincerely,

Virginia H. Dale

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Cc: Ron Woody, Roane County Executive, Roane County, Tennessee
Lawrence Young, CROET (Community Reuse Organization of East Tennessee)
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Shannon Young, Tennessee Wildlife Resources Agency (TWRA)
Dave Adler, Jay Mullis and John Shewairy, US Department of Energy