

Why are people opposed to the Atlantic Coast Pipeline?

There are many varied reasons for opposition. The Allegheny-Blue Ridge Alliance has about 40 organizations in it, all with grave concerns: <http://abralliance.org> Perusing the websites of the member organizations will give you a sense of the opposition. Some concerns: protecting the climate, property rights, safety, quality of life, environmental justice, rural heritage, water quality, biodiversity, use of public lands, and sustainable local economies. The pipeline would negatively affect all these things.

This website <http://pipelineupdate.org> does a particularly good job explaining concerns related to pipeline construction and why many do not trust the environmental regulatory process.

This page has comments submitted to FERC, the lead regulatory agency, on the ACP from environmental law firms, federal and state agencies, local governments, and conservation organizations: http://pipelineupdate.org/environmental-review/scoping_comments/

They present a long list of concerns regarding every aspect of the ACP.

If they don't build the pipeline, won't they just transport the fracked gas on trucks or rail, which are even more dangerous than pipelines?

No, they just won't frack as much. If it were economical or feasible to transport fracked gas via truck or rail, they would do so.

"The technology to liquefy and move natural gas by train or truck is still in its infancy – and such transport remains prohibited by federal law." From http://e360.yale.edu/feature/with_the_boom_in_oil_and_gas_pipelines_proliferate_in_the_us/2811/

If you read industry news, you will see quickly that frackers are desperate for new pipelines to solve the "problem" of a gas "glut" – meaning they need pipelines to go to new markets – often outside the U.S. – so that the price of gas will rise and they will make more money. This article provides just one example: <http://www.dallasnews.com/business/energy/20150703-u.s.-gas-heading-for-mexico.ece>

Won't the ACP bring a lot of jobs?

Dominion's own Chmura study reported that the ACP's direct impact would result in only 39 permanent jobs in all of Virginia. Further, traveling crews of experienced pipeline "journeymen," not locals, receive the temporary jobs.

<https://www.dom.com/library/domcom/pdfs/gas-transmission/atlantic-coast-pipeline/acp-chmura-report-091014.pdf>

When Dominion, and their political followers, claim that the ACP would result in high numbers of new jobs, they are referring to jobs created by the indirect impact the ACP could have due to what they claim would be cheaper, more reliable energy. They also imply that these new jobs would be available to the counties along the route. Please refer to other questions in this section for further discussion of these critical economic issues.

Dominion, the media, and the Governor of Virginia all refer to high job numbers and revenue that the ACP would bring to Virginia. Where do these numbers come from?

All the numbers come from two sources – Dominion commissioned the “Chmura study” and the “ICF study.” An independent review of these studies by Synapse Energy Economics criticized the “lack of transparency and verifiable data necessary for independent review.” Key-Log Economics, in a separate critique, also criticized Dominion’s studies as “exemplifying the misapplication of long-outdated models and black-box estimation tools that have been empirically proven to be of dubious merit as guides to mid-to-long-term economic development decisions and as doing nothing to count the external costs” of the ACP.

Read Synapse Economic’s report here: <http://friendsofnelson.com/wp-content/uploads/2015/08/Synapse-Report-on-ACP-Benefits-6-12-15.pdf>

Read Key-Log Economics report here: http://friendsofnelson.com/wp-content/uploads/2015/04/FoN-KeyLogEconomics_CommentRE_ACP_20140428.pdf

Dominion and Governor McAuliffe claim that counties along the ACP route would see a “manufacturing renaissance” due to the new “energy super highway.” Why wouldn’t my county benefit from new jobs from new industrial facilities drawn to the “cheap and abundant” gas?

The ACP is designed as a high pressure *transmission* line --- to transport fracked gas between specific locations. Dominion says that their line is open access, meaning anyone can tap in to the gas. Technically, this is probably true. But Dominion also says that “tapping in” would require the construction of infrastructure to reduce the pressure and measure the gas that would cost between 5 and 8 million dollars. Given the choice of locating in a county along the route that is not already scheduled for deliveries and paying this tap-in fee or locating at a delivery point, most industries will not choose to locate where they have to pay such a high start up cost.

See Dominion's delivery points on p. 1-8 here:
<https://www.dom.com/library/domcom/pdfs/gas-transmission/atlantic-coast-pipeline/acp-shp-rr1-1.pdf>

See the cost to "tap-in" here:
http://www.newsadvance.com/nelson_county_times/news/acp-analysis-dominion-puts-price-tag-on-pipeline-connections/article_c76e79e0-c5a5-5313-9313-a78f35b96b18.html

I live in a county with a planned delivery point – so, my county will be attractive to new industries, right?

Not likely. Many factors are relevant to where a new facility chooses to locate and the role of "cheap, abundant" natural gas is not clear:
<http://news.nationalgeographic.com/news/energy/2014/01/140131-natural-gas-manufacturing-jobs/>

If access to natural gas were the only factor, Brunswick County, for example, would already be on the brink of an "industrial renaissance" without the ACP. The Transco Southside Expansion project was promoted and permitted under the premise that it would provide natural gas to Dominion's new Brunswick combined cycle gas fired plant AND promote economic development. Have many (any?) new facilities signed up to open there yet?

Read about the Southside expansion pipeline:
<http://co.williams.com/expansionprojects/virginia-southside-expansion-2/>

Read about how tax payer money was used to bring in the Southside expansion project for economic development: "[Senator] Ruff said the main reason for approving the commission grant wasn't to put a new power plant in Brunswick County, but to get a new pipeline built so that southern Virginia can attract energy-hungry manufacturers along the pipeline's route."
<http://www.newsleader.com/story/news/2014/11/30/tobacco-commission-dominion-pipeline-project/19715421/>

As of August 2015, not a single industrial customer has signed up to use Dominion's new gas from the ACP. Their customer commitments have not budged from the commitments they had in September 2014 (1.38 bcuft/day).

Dominion says that the ACP would make natural gas cheaper. Isn't this true?

The premise that the ACP would make natural gas cheaper is based on the assumption that pipeline capacity constraints are driving up the cost of natural gas or that they would in the future. Dominion has not provided a speck of evidence that prices in the past have been higher due to pipeline constraints. They claimed that the "polar vortex" of 2014 created natural gas price spikes for consumers.

Synapse Economics compared the retail and wholesale prices of natural gas over a period of several months in 2014 and demonstrated that the retail (consumer) prices were not affected by the wholesale fluctuations that winter. Interestingly, Dominion has not bothered to repeat the price spike claim for 2015, despite even greater drops in temperature. They may have realized that consumers would notice that they reduced our rates in April 2015 to provide “the benefits of lower fuel costs,” despite the vaunted capacity constraints.

See Synapse Economic’s analysis of pipeline capacity constraints on p. 6 here: <http://friendsofnelson.com/wp-content/uploads/2015/08/Synapse-Report-on-ACP-Benefits-6-12-15.pdf>

The issue of whether more pipeline capacity will be necessary in the future to keep prices low is complex because it depends in part on choices Dominion makes regarding power generation. See the question “Doesn’t Dominion need the ACP to provide fuel for more natural gas plants?” for further discussion on this issue.

However, one thing about the price of natural gas is for sure. Natural gas exporting leads to higher domestic fuel prices. Dominion says that the gas in their pipeline is for domestic use – but see the question – “Why do people say the gas is for export when Dominion says it will be used for power generation and residential and industrial use?”

Doesn’t Dominion need the ACP to provide fuel for more natural gas plants?

All of the under construction and planned natural gas plants in Virginia, including in Brunswick and Greenville, and in North Carolina, already have a source of natural gas. Plants cannot get permits if they don’t have a fuel source.

Both Dominion and Duke have provided plans to regulatory agencies that show that they would like to build many new gas-fired plants in the future. The question, though, is whether they are using reasonable demand estimates or inflating demand to capture the market with built infrastructure, and separately, whether they could use other methods, such as renewables and increased efficiency to meet future demand in a cost-effective way.

Dominion is a utility, but it is also a for profit company trying to make money for its shareholders. Dominion Transmission, the part of Dominion that builds pipelines, is the most profitable part of the company. DTI (and thus Dominion) makes more money when customers use their pipelines to transport fracked gas than when customers use other pipelines. This system incentivizes meeting demand with new power plants that necessitate new Dominion owned pipelines. The power plants will be paid for by captive ratepayers regardless of how much they are used. Dominion could be building the ACP to guarantee a long term “shipping” market for their transmission arm, long after renewables would provide a cheaper better option. This article explains this idea more:

<http://powerforthepeopleva.com/2015/04/12/dominions-natural-gas-gamble-looks-risky-for-ratepayers/>

While Dominion may justify the “need” for the pipeline by planning to shift generation to gas-fired plants, they don’t bear the risk of gas-fired plants becoming outmoded --- the ratepayers will pay for the plants, and “excess” gas can be exported. However, Dominion’s shareholders may also be in for some unpleasant surprises, as the financial viability of the industry as a whole is in serious jeopardy – read this whitepaper, <http://friendsofnelson.com/wp-content/uploads/2015/04/Shareholder-letter-with-summary-revision-4.1.pdf>, or watch this video to learn more:

<https://www.youtube.com/watch?v=A68SiCsn6o&feature=youtu.be>

Dominion, like most utilities, also makes more money by selling more electricity – this disincentivizes reducing demand through better efficiency – an area with tremendous potential for VA, especially.

This article from a former FERC chairperson explains how Virginia can meet future demand through increases in efficiency and renewables, and how doing so will keep Virginian’s bills lower because proposed pipelines are likely to be used to export: https://www.washingtonpost.com/opinions/the-clean-power-plan-makes-sense-for-virginia/2015/03/06/944c6318-a658-11e4-a7c2-03d37af98440_story.html

The potential for renewables to meet future power needs grows everyday. Dominion even admitted that solar would be the cheapest option in the latest regulatory report they filed: <http://www.baconsrebellion.com/2015/07/here-comes-the-sun.html>

Similarly, it is important to note that the feasibility of using renewables is very consistently beating forecasts – exponentially so: <http://www.politico.com/agenda/story/2015/06/why-are-the-federal-governments-energy-forecasts-so-bad-000111>

Duke Energy is slated to be a major customer of the ACP. Duke is under a lot of scrutiny for inflating demand and planning for far too much future gas-fired generation. NC WARN, a non-profit, has filed two suits alleging that Duke and other utilities in the Southeast manipulate their markets by building unnecessary plants, driving up power costs: <http://www.ncwarn.org/2014/12/watchdog-group-files-federal-complaint-against-duke-energy-and-southeastern-utilities-charlotte-business-journal/>

Why do people say the gas is for export when Dominion says it will be used for power generation and residential and industrial use?

Dominion likes to talk about the contracts that they have – contracts with domestic buyers. However, the fact is that any current buyer can turn around and sell the fracked gas to whomever they choose – including for export. The proposed route of the ACP connects to the main Transco transmission line that runs north-south along

the East Coast, and provides direct access to Dominion's under construction export facility at Cove Point, MD. No more pipelines would be needed to use the ACP for export transmission, or for export storage.

Dominion could reassure landowners and the public that their transmission line would only be used domestically by requesting that FERC make their approval conditional on domestic use or by writing this into right of way agreements. They have refused to do so.

It is perfectly legal to "sell" a pipeline to the public under the guise of domestic use, and then use it to export. In this youtube video, a FERC spokesperson makes it plain at a scoping meeting for another pipeline that exporting or not is not FERC's concern - they are only concerned with the initial buyer and have no interest in the end user: <https://www.youtube.com/watch?v=jUFcdxtHFZo>

If you read industry news and government reports, you will quickly see that the "demand" for fracked gas in the coming years is driven by plans to export. The price for fracked gas is much higher in other countries and we have an oversupply in this country. This article provides just one example of a pipeline being built to export: <http://www.dallasnews.com/business/energy/20150703-u.s.-gas-heading-for-mexico.ece>

Here's another article that provides examples of the rush to export: http://www.huffingtonpost.com/craig-altemose/emerging-reality-of-gas-i_b_7763586.html

Here's an article about the Ruby, a 42 inch 680 mile pipeline completed in 2011 for domestic use that is now being repurposed for export:

<https://www.hcn.org/blogs/goat/how-a-little-noticed-pipeline-might-make-natural-gas-exports-possible>

The final Environmental Impact Statement for the Ruby (found here: <https://www.ferc.gov/industries/gas/enviro/eis/2010/01-08-10.asp>), prepared by FERC, says; "According to Ruby, the need for the project arises from a growing demand for natural gas in Nevada and on the West Coast coupled with a decrease in supply from foreign sources and an increase in supply in the Rocky Mountains." Note that FERC's analysis of the need for this pipeline is "according to Ruby" and the need seems to have evaporated just 3 years later.

Finally, within the context of an industry building pipelines like crazy for export, which they are, how much does it matter if any particular pipeline is used for export or not? Even if the gas in the ACP were only going to be used domestically, couldn't the "need" that it would meet be met with existing infrastructure (perhaps with a few additional laterals) if so much gas and transmission capacity wasn't being used for export?

Isn't natural gas a "clean" energy choice?

Fracked gas is a "clean" energy choice like cancer is a better way to die than a heart attack.

The expanded use of fracked gas does not offer a solution to our climate crisis.

Methane is a very potent greenhouse gas:

<http://epa.gov/climatechange/ghgemissions/gases/ch4.html>

Drilling, transmission, and exporting leak a lot of methane into the atmosphere:

http://www.ucsusa.org/clean_energy/our-energy-choices/coal-and-other-fossil-fuels/infographic-natural-gas-fugitive-methane-emissions.html#.Vc9Qrc64now

Actually, A LOT more than even previously believed:

<http://insideclimatenews.org/news/08072015/methane-emissions-texas-fracking-region-50-higher-epa-estimates-oil-gas-drilling-barnett-shale-environmental-defense-fund>

Liquifying "natural" gas for exporting is highly energy intensive:

<http://thinkprogress.org/climate/2014/03/12/3384911/exporting-lng-climate/>

and exporting is driving the industry:

<https://stateimpact.npr.org/pennsylvania/2015/04/16/gas-industry-urges-u-s-to-speed-approval-of-lng-export-terminals/>

Expanded use of fracked gas delays and disincentivizes the use of truly clean alternatives that would help our climate crisis:

<http://www.nearzero.org/reports/gas>

The above articles are a sample of the many that make these points, which you can see for yourself by doing some googling.

Doesn't Dominion have to build the ACP to comply with the Clean Power Plan?

Dominion uses the CPP as an excuse, but it is a poor one. This article from a former FERC chairperson explains how Virginia can meet future demand under the CPP through increases in efficiency and renewables, and how doing so will keep Virginian's bills lower because CPP "compliance" with fracked gas pipelines is really for export: https://www.washingtonpost.com/opinions/the-clean-power-plan-makes-sense-for-virginia/2015/03/06/944c6318-a658-11e4-a7c2-03d37af98440_story.html

For further reading on how Virginia can most cost effectively meet CPP goals with no expanded use of fracked gas, see

http://switchboard.nrdc.org/blogs/wshepherd/pjm_clean_power_plan_will_make.html

and

http://switchboard.nrdc.org/blogs/syeh/pjm_regional_cooperation_leads.html

Furthermore, importantly, the final version of the CPP that came out in August 2015 increased the role of renewable energy compared to prior versions. This change means that projections for fracked gas use are the same with or without the plan.

“The administration believes that boost in renewables will come largely at the expense of natural gas. In an initial press briefing on the plan, a White House official said projections for natural gas would be “business as usual,” compared to the initial increase expected for the fuel source as a result of the draft rule.” From <http://www.eenews.net/stories/1060022944>

If you have any doubt remaining that the ACP has anything to do with the CPP, read this informative blog post from an expert on Virginia’s energy policy on the final rule: <http://powerforthepeopleva.com/2015/08/13/for-virginia-epas-clean-power-plan-more-like-a-powderpuff/>

Dominion says that counties will receive revenue from property taxes from the pipeline. Why wouldn’t this be good for my county?

Dominion’s estimates of revenue to counties along the route do not take into account any increased costs the counties may face. If the ACP reduces property values, as it is likely to (see “Will the ACP reduce property values?”), along and near the route, then the county will need to raise property tax rates on everyone in order to make up for the reduction in revenue.

Another likely cost to counties along the route is road repair after the heavy construction traffic. Here is an article about how some counties handle these concerns --- note that they are talking about a much smaller (and lighter) pipeline, and that it was the responsibility of the county to develop road plans and assess damages. Planning, studying and enforcing these kinds of plans costs money and takes resources that many rural counties lack. http://www.pantagraph.com/news/local/pipeline-road-pact-worked-in-livingston-county/article_f66060d0-d983-5bb4-8279-6e623df49ba2.html

Finally, pipeline construction is generally a 24/7 operation. How will this construction affect local businesses, and the associated revenue they provide to the county? Areas that rely on tourism would be particularly hard hit as visitors go elsewhere to avoid the traffic, and construction noise and dust. Even if construction is temporary, some businesses may not be able to make it through. And construction may actually be more perpetual than temporary because once a pipeline goes in, the right of way becomes a magnet for other pipelines and infrastructure, such as additional compression stations. Regulatory agencies encourage the expansion of existing rights of way.

Will the ACP reduce property values?

An analysis by The Forensic Appraisal Group, LTD, concluded that property values near pipelines can drop by as much as 30 percent. You can read about how property values are likely to be affected by pipelines at the following sources:

http://forensic-appraisal.com/valuation_issues

http://preservethenrv.com/docs/quesenberry_housing_values.pdf

http://friendsofnelson.com/wp-content/uploads/2015/04/FoN-KeyLogEconomics_CommentRE_ACP_20140428.pdf

p. 11, Section 6.

This article includes a critique of the inadequacy of FERC's and others' previous reasoning and studies on property value effects.

Is the ACP good for Dominion's shareholders?

If there is profit to be made, it will of course be concentrated among the few shareholders with the most shares --- top Dominion executives for the most part. However, many analysts are predicting a crash of the fracking transmission and export business along the lines of the housing bubble crash in 2007. The financial viability of the industry as a whole is in serious jeopardy – read this whitepaper, <http://friendsofnelson.com/wp-content/uploads/2015/04/Shareholder-letter-with-summary-revision-4.1.pdf>, or watch this video to learn more:

<https://www.youtube.com/watch?v=A68SiCsn6o&feature=youtu.be>

Virginia has many miles of pipelines buried underground --- they never cause any problems --- so why should anyone worry about safety?

First, the vast majority of pipelines in VA and in the United States overall are much smaller diameter pipelines under much less pressure. The greater the diameter and pressure, the greater the consequences of a rupture or an explosion.

For a 42 inch pipeline at 1400 psi (the diameter and slightly less than the planned pressure for the ACP mainline), the evacuation zone is 3,583 feet, or 0.6785 (more than two thirds) miles on either side of the pipeline. See Appendix C, p. 29:

<http://www.pipelineawareness.org/wp-content/uploads/2014/09/2014-Pipeline-Emergency-Response-Guidelines.pdf>

The “Hazard Area Radius” (within which both the extent of property damage and the chance of serious or fatal injury would be expected to be significant) for a pipeline the size and pressure of the ACP mainline is about 1100 ft – about ¼ mile extending in each direction from the pipeline. See p. 11:

<http://nogaspipeline.org/sites/nogaspipeline.org/files/wysiwyg/docs/c-ferstudy.pdf>

Second, pipelines rupture and explode A LOT more than most people realize. There were 328 “significant” pipeline incidents in the US on gas transmission lines only (excluding gas gathering and distribution lines and pipelines transporting other substances) since 2010. “Significant” means significant property damage or inpatient hospitalization or fatalities occurred. See

<http://smartpig.pstrust.org/ignition-of-natural-gas-transmission-pipelines/>

You can see for yourself exactly what the statistics are on significant incidents, as well as the definition of “significant” by searching the PHMSA (Pipeline Hazardous Materials Safety Administration) database here:

https://hip.phmsa.dot.gov/analyticsSOAP/saw.dll?Portalpages&NQUser=PDM_WEB_USER&NQPassword=Public_Web_User1&PortalPath=%2Fshared%2FPDM%20Public%20Website%2F_portal%2FSC%20Incident%20Trend&Page=Significant

You need to use the filters if you want to exclude certain types of pipelines such as hazardous liquid pipelines.

Third, the PHMSA, the government department in charge of pipeline safety, has been described as a “toothless tiger” and “a sleepy, industry-dominated agency that tries to remain obscure by doing as little as possible.” Less than one-fifth of the more than 2.6 million miles of pipeline were inspected by federal or state officials in the years from 2006-2013.

See <http://www.peer.org/news/news-releases/2013/07/30/federal-safety-agency-plays-pipeline-rupture-roulette/>

https://speier.house.gov/index.php?option=com_content&view=article&id=1652:congresswoman-speier-calls-for-improved-pipeline-safety-phmsa-is-a-toothless-tiger&catid=20&Itemid=14

<http://www.politico.com/story/2015/04/the-little-pipeline-agency-that-couldnt-117147.html>

Finally, Dominion, like other pipeline companies, tries to site pipelines in rural areas so that they do not have to conform to the highest safety standards, in terms of monitoring for leaks or construction standards. More populated areas are called “High Consequence Areas.” If you live on the route, even if your house is right next to the pipeline, you are unlikely to be in an HCA.

This article talks about an explosion in WV which was not in an HCA. It makes it clear that such pipelines do not have the same level of monitoring:

<http://www.wvgazette.com/News/201301280132>