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Sent: Friday, April 28, 2017 2:27 PM

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Subject: Letter from 19 Organizations Re: Atlantic Coast Pipeline Concerns; Request for meeting

Appalachian Voices ~ Canary Coalition ~ Chatham Research Group ~ Clean Air Carolina ~ Clean Water for North Carolina ~ Concerned Citizens of Northampton County ~ Coastal Carolina Riverwatch ~ DownEast Coalition ~ EnvironmentalLEE ~ Haw River Assembly ~ Nash Stop the Pipeline ~ No Fracking in Stokes ~ Pee Dee Water, Air, Land and Lives ~ RiverGuardian Foundation ~ Save Our Sandhills ~ Sustainable Sandhills ~ 350.org Triangle ~ Triangle Womens' International League for Peace and Freedom ~ Winyah Rivers Foundation

April 28, 2017

Governor Roy Cooper (via web form and US mail)
NC Office of the Governor
20301 Mail Service Center
Raleigh, NC 27699-0301

Via email: Jeremy Tarr, Office of the Gov. Policy Advisor Environment, Energy, Transportation

Jenni Owen, Director of Policy, Office of the Governor

NC DEQ Secretary Michael Regan (via email and US mail)
1601 Mail Service Center
Raleigh, N.C. 27699-1601

Via email: Tracy Davis, Director, DEQ Div. of Energy Mining and Land Resources

Lyn Hardison, DEQ EIS Coordinator; Sarah Rice, DEQ Environmental Justice Coordinator

Jay Zimmerman, Director, Div. of Water Resources

Linda Culpepper, Div. of Water Resources; Jennifer Burdette, Water Resources, 401 Unit

Dear Governor Cooper and Secretary Regan:

This letter is from 19 partner organizations in FrackFreeNC, a grassroots alliance working to prevent fracking and unneeded and dangerous gas infrastructure in North Carolina, in order to deepen the conversation about our still growing concerns about the Atlantic Coast Pipeline.

The Atlantic Coast Pipeline is Unneeded, Costly, Dangerous and Unjust for North Carolinians

We are writing on behalf of organizations deeply concerned about the impacts of the proposed Atlantic Coast Pipeline (ACP) on landowners, local governments, vulnerable Environmental Justice Populations, and on the waters and economy of eastern NC. The owners of the proposed 600 mile gas pipeline—including affiliates of Dominion Power and Duke Energy-- have distributed materials and statements to the public as well as local and state officials in order to garner support for the proposed ACP that contain significant unsubstantiated and misleading information. We include below a summary of the major concerns we have articulated in official comments to the Federal Energy Regulatory Commission (FERC), as well as some concerns raised by the US EPA and DEQ staff in comments submitted to (FERC), and we also represent members of a number of impacted communities along the proposed pipeline route.

1. The ACP is not needed for residential and economic development needs and increases our climate vulnerability . FERC has carried out no regional analysis to assess either the need for, nor impact of, several planned major gas pipeline projects in the Southeastern US. Numerous studies, including a 2015 U.S. Department of Energy study and a FERC staff report the same year, conclude that there is sufficient capacity in existing pipelines to meet foreseeable energy requirements and that the nation, and especially our region, is headed toward a massive overbuilding of natural gas pipelines, far in excess of demand. Many industry observers acknowledge that the Transco pipeline, with some modifications, could accommodate their needs for any planned gas- fired electric generation. Importantly, our organizations oppose the utilities’ transition to gas fired power production, as this approach would actually INCREASE climate impacts, with unburned methane from pipelines, compressor stations and power plants being over 80 times as powerful a greenhouse gas as carbon dioxide in the short term. Our organizations favor an all-out effort to maximize energy efficiency in combination with a conversion to renewable energy sources as the most cost-effective, job creating, socially just and least polluting approach to NC’s energy future.

2. The ACP will actually increase costs for NC electric ratepayers. A [detailed analysis](#) by the Institute for Energy Economics and Financial Analysis shows that the overbuilding of gas pipelines now under way, and particularly the ACP, will be paid for by **ratepayers**, as they will be billed for cost of fuel delivery and pipelines construction through their planned rate recovery (\$5.6B+ for the Atlantic Coast Pipeline) in addition to the profit that FERC approval would allow (**up to 15%!**). Further, ACP’s statements that the pipeline will help “keep costs low” for ratepayers is based on assumptions of both 1) stable high production of natural gas in WV/PA and 2) stable low natural gas prices. In fact, the price of gas is expected by federal and private energy experts to rise in coming years and production is already dropping. That will further increase fuel costs for natural gas, while our region would be trapped in a long term commitment to gas. **The ACP is a very costly and dangerous investment for NC!**

3. Pipelines will be even LESS needed in the long term because renewables (wind and solar), are already the predominate source of new and increasingly cost-competitive generating capacity being built in the nation. In 2015, the latest year for which figures are available, two-thirds of the new electrical generating capacity built

in the United States was from wind and solar projects. Further, implementing energy efficiency measures has essentially flattened the demand for energy generation in recent years. Efficiency and renewable sources can reduce climate changing emissions and create far more jobs than gas extraction, pipelines or new power plants.

4. The ACP's claim of many new jobs that would be created by the ACP is a gross exaggeration. The builders of the ACP claim that the project "holds the promise of thousands of new jobs." Construction jobs would only be several hundred in NC--at least half of which would be filled by people from outside the state--and would only last for a few months to a year. In fact, the project is officially projected to create only 18 permanent jobs in NC! The indirect jobs that ACP proponents say would be created through new industries, could only happen in a few locations where there is enough investment to cover the cost of \$500,000 to several \$\$ million to tap onto the ACP. The poorest counties would see no taps at all. The ACP would impact landowners and residents in many of the state's lowest income communities, with high minority populations, with NO new available gas supply and NO economic benefits to local populations. A study done of costs to VA local governments of hosting the ACP indicates that costs could exceed any local tax revenues from the pipeline by several \$\$million.

5. Low income and minority communities and landowners would be disproportionately impacted. The ACP proposed corridor passes through communities in 8 counties with higher poverty levels than the state as a whole. The counties through which the pipeline would pass also have significantly higher (51%) average minority populations (African American, Native American, especially) than other counties in the state (30.5%), as shown in calculations by the Research Triangle Institute. These two factors alone, in addition to the added pressure on our most vulnerable landowners to lease for the project, present major environmental justice impacts.

6. The pipeline would bring with it the risk of leakage, fire and explosions, and additional expenses to local governments, as well as possible impacts to groundwater and private wells. In the Draft Environmental Impact Statement, FERC dismisses concerns about pipeline safety by simply saying the builders will follow the safety rules of the Pipeline and Hazardous Materials Safety Administration (PHMSA, a federal agency). However, the agency's own data show that **pipelines built since 2010 have experienced a five-fold increase over the previous decade in significant incidents, rising even higher than for pipelines built prior to the 1940s!** During this 2010-2016 period, FERC has permitted a larger number of interstate pipelines and allowed profits of up to 14 or 15% for their owners, causing pipeline companies and utility affiliates to undertake a "rush to build."

7. Critical natural resources, unique to North Carolina, would be substantially impacted. Of the three states that the ACP would cross, NC has hundreds of tributary streams and critical wetlands, in addition to several major rivers. Most of NC's economically important commercial and tourism fisheries and all healthy aquatic life depend on the stability and cleanliness of these waters, and would be adversely impacted by sediment, compaction and contamination during construction of the many stream and wetland crossings required. FERC also acknowledges that construction activities can impact groundwater in the shallow aquifers in eastern NC, but fails to require common sense actions to prevent or compensate well owners for damage.

In summary, the ACP would not serve the public good of North Carolina. If the ACP receives approval from FERC, it would be granted the right of eminent domain to take private property for the project, designed by the ACP owners to be very profitable to them, without providing economic or other benefits to almost any of the communities it passes through.

When a proposed pipeline project 1) is not needed, 2) would result in negative economic impacts to landowners, communities and local governments, 3) would cause substantial Environmental Injustice impacts, and 4) would cause serious and permanent damage to the state's natural resources, it's clearly not in the best interests of North Carolina and its people!

We further note that comments from NC DEQ and USEPA on the Draft EIS also raised several significant concerns about the shortcomings in FERC's assessment of ACP impacts, including:

- 1) The substantial lack of information on vulnerable soils, steep slopes and other geologic hazards in the Draft Environmental Impact Statement on which to assess ACP impacts
- 2) Blasting and other impacts to residents during construction
- 3) Given that the highest number of wetland impacts would occur in NC section of the ACP, the lack of information about type and quality of wetlands indicates the inadequacy of the assessment. The impacts of a large number of hundreds of stream crossings, and several major river crossings are also inadequately characterized. Necessary spill and discharge prevention and monitoring requirements during stream crossing activities are lacking.
- 4) There is gravely inadequate assessment of potential groundwater impacts. The need for more protections and monitoring for wells at least 500 feet from the pipeline construction corridor, and incorporation of key Source Water Protection information for public water supplies near the proposed corridor.
- 5) Only direct impacts are analyzed in the DEIS, which fails to evaluate Indirect and secondary effects of the ACP project, including industrial, road and other development that could occur as a result of pipeline construction. There is no detailed cumulative impact analysis, either for stream crossings or for water withdrawals during project construction, or for impacts of upstream operations to extract gas.
- 6) The DEIS shows inadequate planning to prevent release of any hazardous wastes generated during ACP construction.

We request that the Governor's staff, including the Energy and Environment Policy Advisor, the DEQ Secretary and appropriate staff meet with us at your earliest opportunity to discuss significant concerns as well as the ones raised in DEQ and EPA comments.

We believe that a commitment to Environmental Justice, to the economic well-being of ratepayers faced with the pipeline construction costs plus inevitably rising fuel costs, to safety for residents near the pipeline corridor and to the right of landowners and residents to use and enjoy their wells and property without facing eminent domain for a lucrative pipeline project should give our elected and agency officials considerable pause. The promised economic benefits of the ACP to the public are exaggerated to the point of fraud.

We ask that you take all available steps to protect North Carolina's people and natural resources, holding FERC and the ACP owners accountable, through individual 401 WQ certifications for each portion of the proposed project, critical review of Environmental Justice impacts, careful and critical permitting of the compressor station and other above ground facilities along the pipeline, and requiring additional protections from hazardous wastes and other potential groundwater contaminants, while bearing in mind the wider public interest and vulnerability to the impacts of the ACP project, designed principally for the private profit of the ACP owners.

Yours truly,

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June Blotnick, Executive Director, Clean Air Carolina

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