North Carolina
Coastal Federation
Working Together for a Healthy Coast

April 3, 2017

Nathaniel J. Davis, Sr.
Deputy Secretary, Federal Energy Regulatory Commission
888 First Street NE., Room 1A
Washington, DC 20426

RE: Notice of Availability of the Draft Environmental Impact Statement for the Proposed Atlantic Coast Pipeline, Supply Header Project, and Capacity Lease Proposal

Dear Mr. Davis,

Please accept these comments on behalf of the North Carolina Coastal Federation in regards to the Atlantic Coast Pipeline, proposed by Atlantic Coast Pipeline, LLC, Dominion Transmission, Inc., and Piedmont Natural Gas Company, Inc.

We believe there are significant reasons to request a new Draft Environmental Impact Statement (DEIS), or at the very least, a supplement to the current DEIS document that was made public on December 30, 2016. The obvious environmental impacts to water quality, aquatic organisms, and overall ecosystem health are apparent, yet minimally outlined in the DEIS. Further, according to a document prepared for the Southern Environmental Law Center (SELC)[1], stark economic realities are assessed and the very need for this project is called into question.

We would contend that very little is known on the impact of natural gas leaks, and its impact to waterways. Leaks in natural gas systems (both pipelines and storage) seem to be common especially in aging pipeline systems). It is clear that more studies need to be conducted to adequately assess the risk of leaks, especially since this project proposes to cross 20 major waterbodies in North Carolina, Virginia, and West Virginia; there are few, outdated studies available to address this issue. Further, the Pipeline and Hazardous Material Safety Administration, or PHMSA, is responsible for millions of miles of pipeline (both gas and oil) and is currently only funded for 137 inspectors. Because of this limitation, much of the industry is self-inspected, which many believe further accentuates the risk for leaks.

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1 Rachel Wilson, et al, *Are the Atlantic Coast Pipeline and the Mountain Valley Pipeline Necessary?*, Synapse Energy (2015), http://www.synapse-energy.com/sites/default/files/Virginia-NG-Pipeline-Report-15-049.pdf

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In the DEIS, there are many documents not included. Most notable is the request from the North Carolina Wildlife Resources Commission (NCWRC) and the North Carolina Department of Environmental Quality (NCDEQ) for the applicants to complete biological surveys for sensitive and state-listed species, including plants, non-mussel aquatic species, and freshwater mussels. These surveys are not completed, as 15.2 miles have not been surveyed, at all, for the aforementioned biological resources. The DEIS simply states that these surveys will be "completed in 2017." The Federation finds this information absolutely essential to the validity of the DEIS document; the DEIS should not be considered complete until these remaining 15.2 miles are surveyed.

As for economics, it is clear that the originally forecasted numbers that boast the project's guaranteed success are inflated. Energy companies forecast that this project will bring in $48 million in labor income, from 2019-2038. However, this project is forecasted to bring in only 20 ongoing jobs for North Carolina once the pipeline is operational. Further, the construction force is expected to be mobile, moving with the progress of the pipeline. This would suggest that the construction employment would indeed be short lived.

Furthermore, ratepayers will carry the bulk of the risk of this project, in addition to paying for the construction; it is estimated that they will cover 96% of the project cost. Part of these projected economic benefits are derived from lower gas prices. Gas coming from the Henry Hub in Louisiana (historically the largest trading hub) in 2015 was averaging over $2 per MMBTU (one million British Thermal Units), while gas from the Dominion South Hub averaged $1.50 per MMBTU. This difference in price is largely due to abundance of gas from the Marcellus and Utica regions but as more pipeline capacity moves gas farther away from the region it is expected that the difference in price, and therefore the savings to ratepayers, will diminish.

Without further and intense study referencing the aforementioned environmental and economic details, we respectfully request a new DEIS, or a supplement to the current document. It is clear that with the current document, the permitting process cannot move forward. It is impossible to obtain a full assessment of the impacts of this project without a DEIS that contains all necessary information.

We thank you in advance for your consideration of these comments.

Sincerely,

Ladd Bayliss
Coastal Advocate