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## Governor touts benefits of Dominion pipeline

BY ANNE ADAMS • STAFF WRITER

RICHMOND — Tuesday morning, Gov. Terry McAuliffe held a press conference to announce that Dominion had been chosen by Duke Energy to build its proposed tri-state gas pipeline.

McAuliffe, along with Dominion Resources CEO Tom Farrell and Hank Linginfelter, EVP Distribution Operations, AGL Resources and Chairman, Virginia Natural Gas, announced the economic benefits the proposed Atlantic Coast pipeline could bring to Virginia.

That morning, Dominion, AGL Resources, Duke Energy, and Piedmont Natural Resources explained their joint venture to build what they dubbed an “energy superhighway” through parts of Virginia, West Virginia, and North Carolina. (See story, page 1).

Company heads had been up early that morning before the conference, talking to Wall Street investors, the governor said.

“This project is something we have desperately needed in the Commonwealth of Virginia,” McAuliffe said. “I talk a lot about how we want to see our port become the No. 1 agriculture exporting port on the entire East Coast. Along that line, I want to see Virginia become the Mid-Atlantic manufacturing hub. We need to build a renaissance in manufacturing, and we can do that, and we are going to do it, and we are going to do it because of today’s major announcement.”

According to the governor’s office, a study by Chmura Economics and Analytics found the pipeline’s construction would:

- Produce about \$1.42 billion in economic activity in Virginia;
- Support more than 8,800 new jobs, including nearly 5,000 directly supported by spending on construction activities;
- Generate more than \$14.6 million in additional tax revenue, including individual income and corporate tax revenues; and
- Once construction is complete, the pipeline would generate a total of \$37.8 million per year in ongoing economic activity, support a total of 188 jobs annually and produce more than \$233,000 in additional state tax revenue.

“These benefits will help spur economic growth ... in all parts of the commonwealth at a time when we know there are still too many men and women out of work today,” McAuliffe said.

He also touted long-term benefits such as lower energy costs for Virginia consumers.

“This winter, as you know, we saw the effects of limited gas pipeline capacity in Virginia when our costs spiked on the coldest days of the year that we had ... That alone told us that we needed more pipe, more access to natural gas, to keep costs down for consumers,” he said.

Also, he said, the pipeline will allow Virginia to recruit new heavy manufacturing. “This is a game changer for manufacturing for us,” McAuliffe said. “Simply put, Virginia’s present lack of adequate natural gas supplies is a significant liability when it comes to attracting large scale manufacturing plants and facilities. With this project, Virginia will vault to become the best in its class in terms of gas infrastructure in the United States of America. We will now have direct access to the most affordable, and abundant supplies of natural gas anywhere in the United States of America.”

He said one of the reasons manufacturing jobs went overseas in the 1990s and 2000s was because of the cost of natural gas. “Now, we can beat anyone in the globe competitively,” he said, noting 97 new chemical projects will be built in the next six years.

“Up until this announcement, Virginia was not able to play in that game because we didn’t have the pipeline that made us competitive. Folks, today, we are not only competitive, we are going to beat those other folks in the rest of the country,” McAuliffe said.

“This pipeline, which is one of largest that has ever been built in decades, will provide Virginia with an energy superhighway to fuel our new economy, and our drive to become a manufacturing hub. This new pipeline, and we’ve had many conversations, Tom (Farrell, Dominion CEO) and I about this, is like a highway, with exit and entrance ramps, and we can put those ramps anywhere we want along that pipeline. So when you’re bringing in a gigantic new manufacturing facility, we can take a spur right off that pipeline and provide that cheap, abundant affordable gas right to that new manufacturer.

“Combined with our low energy prices, favorable regulatory and tech climate and the best workforce in the nation ... we will have an unbeatable value proposition for recruiting manufacturing, and other energy Dependent businesses.”

McAuliffe said once the project is under way, “I intend to use the full resources of the office of the governor to market this new opportunity for us in every nation around the globe. So by the time this pipeline is complete, we are going to have manufacturer after manufacturer lined up to begin manufacturing, and creating new jobs.”

McAuliffe also told Ferrell he thought that once the trench was dug in parts of Virginia, “maybe we can throw a little fiber optic cable in there as well to open up parts of the commonwealth.”

The governor continued, “I’m proud to have been part of the team helping Dominion and AGL win this competitive project ... Virginia will own 50 percent of that pipeline, which is very important for us as we go forward.

“I look forward to working with stakeholders to making this the safest, most environmentally responsible and locally cooperative pipeline ever built in the history of the United States of America ... This project is a game changer for Virginia’s economy, and the benefits will be both immediate and long-lasting,” McAuliffe said.

Following the conference, those opposed to the pipeline weighed in across the state.

“We are disappointed that the governor pledged his support today for a major gas pipeline through Virginia’s forests, particularly in light of the potential impacts on the beloved George Washington National Forest, also known as the GW,” said Greg Buppert, senior attorney at the Southern Environmental Law Center in Charlottesville. “Dominion’s proposed pipeline would traverse the Allegheny and Blue Ridge mountains through three counties (Highland, Augusta, and Nelson), as well as the Shenandoah Valley. It crosses prime recreational and biological and recreational areas in the national forest, including much of the best remaining wild landscape in Virginia. It is also proposed through one of Virginia’s most rugged landscapes, crossing numerous ridgelines over 3,000 feet and raising serious questions about whether it can be built without significant damage to pristine forests and rivers.

“Given these potential impacts,” he continued, “the project has generated a chorus of citizen opposition throughout the state. Dominion has not publicly identified a customer in Highland, Nelson, and Augusta counties for the gas carried by the pipeline, and the project threatens the integrity of the region’s public lands and communities with few, if any, apparent long-term economic benefits.”

Also, Buppert noted, “In the past, Gov. McAuliffe has voiced strong support for protecting the GW from other industrial development in the form of shale gas drilling and hydraulic fracturing. In light of the expected damaging impacts of the proposed pipeline, we urge the governor to keep his pledge to the citizens of the commonwealth to protect the GW, a treasured natural resource that hosts more than a million visitors annually and anchors a vital, agriculture and tourism-based economy for the Shenandoah Valley and surrounding communities.”

Friends of Nelson, a citizen-run, community based, membership organization dedicated to protecting property rights, property values, rural heritage and the environment in Nelson, agreed.

“We were surprised that the governor came out so early in support of a project that has not undergone any review for its impact on the people and natural resources of Virginia,” said Ernie Reed, vice chair of the group. “It seems he has been negotiating, perhaps secretly, with the big corporations, but he certainly has never contacted the people in Nelson County whose lives have been upended by this proposal. We expected more from Gov. McAuliffe,” he said. “It is shortsighted of the governor to support this venture given the tremendous and permanent impact it will have on the families, farms and forests in its path. Thousands of Virginia families and businesses will be negatively impacted by this proposed pipeline. If Gov. McAuliffe wants to create jobs he should invest in efficiency and renewables, the fastest growing sectors in the energy industry, not the polluting, carbon-intensive fossil fuel industry.”