

Blue Ridge Environmental Defense League

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June 16, 2015

Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street NE, Room 1A
Washington, DC 20426

RE: Docket PF15-3, Scoping of Environmental Impacts, Mountain Valley Pipeline, LLC

Dear Secretary Bose:

On behalf of the Blue Ridge Environmental Defense League and its chapters and members in Virginia, I write to provide comments on the scope of the environmental impact statement for the proposed Mountain Valley Pipeline (MVP) projects.

Overview

The pipeline projects outlined in this pre-filing docket represent a massive assault on the environment and the communities along the proposed routes. Moreover, the impacts of extraction, transport and combustion of the fossil fuel which natural gas is will add to the devastating impacts of fossil fuel extraction, transportation and utilization on the entire planet. Under the law, these global impacts must be accounted for by the Federal Energy Regulatory Commission; i.e., to “recognize the worldwide...environmental problems and...maximize international cooperation.”¹ Once the impacts are weighed, we believe the *no action* alternative—that is, the denial of the certificate of convenience and public necessity—will be the agency’s only recourse.

Background

The proposal under consideration includes multiple facilities that would be capable of delivering 1.5 billion cubic feet of natural gas per day. The EIS would encompass 300 miles of pipelines, four compressor stations, and numerous valves, pig sites and other appurtenances in two states. The environmental impacts of such a large number of facilities would be devastating to the environment and public health. Natural gas extracted by hydraulic fracturing, or fracking, is transported in trucks, compressed and delivered by pipelines. At each stage in this process, pollution is created. Residents along the proposed path of the pipeline are concerned about a multitude of issues. These include, but are not limited to: pollution from compressor stations; water damage; the exportation of the natural gas obtained by fracking; the unconstitutional use of

¹ National Environmental Policy Act, §102(2)

eminent domain to survey and construct the pipeline; intellectual, natural and artistic property being protected; the rights of communities to address issues of environmental justice and EQT's abysmal record of environmental protection which has resulted in unprecedented lawsuits.

COMMENTS

Pollution from Compressor Stations

Compressor stations, a necessary intermediate between the extraction and transportation of natural gas from pipelines, are a major source of air pollution. Spaced about 50 to 100 miles apart, they keep the gas moving along the pipeline from production site to end use. Power for these compressors is provided by internal combustion engines, turbine or reciprocating, which use natural gas as a fuel source. These engines release huge amounts of air pollution including sulfur dioxide (SO₂), nitrogen oxides (NO_x), volatile organic compounds (VOC), carbon monoxide (CO), particulate matter (PM₁₀), and hazardous air pollutants such as benzene and formaldehyde. Our review of compressor stations in Virginia and North Carolina reveals high levels of air pollution.

A compressor station in North Carolina operates eight natural gas-fired reciprocating internal combustion engines with a combined total of 37,880 horsepower.² This is a medium sized compressor, one of the two moving gas along a 128 mile pipeline from Charlotte to Wilmington, North Carolina. Our review of the state air permit reveals the pollution levels in Table B (next page) and shows an astounding level of greenhouse gas emissions (CO₂e)—over 200 thousand tons per year—plus over a half a million pounds of toxic air pollution. See Table A.

Table A. Medium Sized Compressor Station Air Pollution

Pollutant	Annual Emission Rates
CO ₂ e	203,824 tons
Particulates (2.5, 10 and total)	24,920 pounds
SO ₂	1,460 pounds
NO _x	367,720 pounds
VOC	70,100 pounds
CO	43,960 pounds
HAP total	25,020 pounds
HAP formaldehyde	17,560 pounds

The Transcontinental Gas Pipeline Corporation's Compressor Station No. 165 in Pittsylvania County, Virginia, has eleven internal combustion reciprocating engines with a combined total of 24,400 horsepower. The pollution totals for this unit are also large.

² Piedmont Natural Gas—Wadesboro Compressor Station in North Carolina, NC Division of Air Quality Permit No. 10097T01

Formaldehyde emissions are commonly associated with the burning of natural gas, and compressors release huge amounts of this hazardous air pollutant. The negative effects of airborne formaldehyde occur at very low levels. Exposure to as little as 0.1 to 2 parts per million causes irritation of the eyes, nose and throat. At 5 to 10 ppm, people experience cough, tightness of the chest and eye damage. At 20 ppm breathing becomes difficult, at 30 ppm there is severe injury to the lungs, and at 100 ppm there is imminent danger to life.

Water Damage

Water is not a fuel in the same way that natural gas is a fuel. We don't extract energy from water. But with regard to its importance to global plant and animal existence, water is the elixir of life. It is the single most valuable natural resource that we have and we must protect it at all costs. We can live, as humanity did for thousands of years, without natural gas in our lives, but no more than a few days without water. Where water goes, food follows. Where food goes, human health and the stability of nations follow. Securing the future of water will, in the end, be more crucial to the survival of nations than squeezing the last drops of fossil fuels out of the last deep, depleted wells.

That's water that once was useful for human and animal drinking, for crop irrigation, for making the family meal. It is our water that is at risk in our own yards and in our coming months and years. How much risk? We can't say for sure, because there are not many other 42" pipes among the 2.5 million miles of fossil fuel pipelines already afflicting thousands of US counties and tens of thousands of American families.

At the beginning of June, the EPA released a comprehensive study evaluating whether hydraulic fracking contaminates drinking water supplies.³ The report describes numerous incidents of drinking water contamination, ultimately concluding that, "... there are above and below ground mechanisms by which hydraulic fracturing activities have the potential to impact drinking water resources. These mechanisms include water withdrawals in times of, or in areas with, low water availability; spills of hydraulic fracturing fluids and produced water; fracturing directly into underground drinking water resources; below ground migration of liquids and gases; and inadequate treatment and discharge of wastewater." Further the report stated that groundwater withdrawals exceeding the natural recharge rate, as is the case with many large-scale fracking stations that require millions of gallons of water, can mobilize contaminants or allow the infiltration of lower quality water from the land surface or adjacent formations. Encouraging the MVP is, in effect, putting millions of people whose very livelihood depends on their access to clean, safe drinking water at risk.

It is becoming a much better-known fact that if one well's groundwater source is fouled, that fouling can spread an unknown distance in every direction because of the communicating rock fractures that stores water in the Blue Ridge region or the underground limestone caverns and rivers that are common along the entire proposed route. The right to adequate volume and quality of water should not be among the takings of eminent domain. We respectfully ask the FERC to deny the certificate of convenience and public necessity for the MVP and to instead seek to protect our water's integrity over the long term. It would be obliterated by the construction and implementation of the MVP. It goes far beyond convenience. It is of the utmost necessity.

³ <http://cfpub.epa.gov/ncea/hfstudy/recordisplay.cfm?deid=244651>

Export Issues and Eminent Domain

It is of great concern that natural gas from West Virginia may be shipped to ports around the world. The liquefied natural gas terminal at Cove Point, MD is a foreseeable outcome of the proposed MVP pipeline extending across two states. Today, ships transporting natural gas with a capacity of up to 145,000 cubic meters are common. The comprehensive review, the *hard look* required by the National Environmental Policy Act must encompass the sum of cumulative impacts from extraction to end use, no matter where that end use occurs, including export terminals and liquefied natural gas exports.

On March 11, 2015, it was announced that: “Mountain Valley Pipeline, LLC, a joint venture between affiliates of EQT Corporation (NYSE: EQT) and NextEra Energy, Inc. (NYSE: NEE) today announced that a subsidiary of WGL Holdings, Inc. (NYSE: WGL), WGL Midstream, has acquired a 7% ownership interest in the joint venture, and a subsidiary of Vega Energy Partners, Ltd., Vega Midstream MVP LLC, has acquired a 3% interest.”⁴

WGL Midstream recently “announced the execution of a gas sale and purchase, and capacity agreement with GAIL Global (USA) LNG LLC (GGULL), a subsidiary of GAIL (India) Limited (GAIL), under which WGL Midstream has agreed to sell up to 430,000 Dth/day of natural gas, for a term of approximately 20 years, commencing on the in-service date of the Cove Point LNG export facility.”⁵

It is obvious from this transaction that (at least) a portion of the gas transported through the MVP is intended for export and therefore should not fall under the jurisdiction of eminent domain, since it would not be for the public good.

It should also be noted that the MVP project is an LLC and therefore a private corporation and not a public utility. There was recently a precedent set through a lawsuit in Kentucky involving the use of eminent domain to construct a pipeline for a private corporation. The decision was made that “because the natural gas liquids are not directly reaching Kentucky consumers, “the pipeline cannot said to be in the public service of Kentucky,” the court said.”⁶

The gas intended to be transported through the MVP will not benefit the people of Virginia. If we are forced to take this issue to court, it will be obvious that MVP, LLC is not a public utility and therefore not in the public interest.

Environmental Justice

Recent census data compiled by the Blue Ridge Environmental Defense League indicates that there are disproportionate (and statistically significant) impacts on lower income counties along the pipeline’s proposed route. See Table B and C, as well as the included graphs.

⁴ <http://media.eqt.com/press-release/mountain-valley-pipeline-announces-wgl-midstream-partner-shipper-and-gas-purchaser>

⁵ <http://www.wglholdings.com/releasedetail.cfm?ReleaseID=886187>

⁶ <http://www.kentucky.com/2015/05/22/3865010/court-of-appeals-rules-pipeline.html#storylink=cpy>

Table B: Demographic and Income Data for the MVP Route Compared to Statewide WV ⁷

County	Population	White %	Black %	Hispanic %	Income \$ per capita	%Living in poverty	% Graduated HS	% Lacking basic literacy ⁸
Braxton	14,463	98	0.6	0.6	18,635	22	77.8	16
Doddrige	8,391	96.7	1.6	0.8	17,334	15.5	80.6	15
Fayette	45,132	93.5	4.6	1	18,685	21.2	78.9	15
Greenbrier	35,450	94.7	2.8	1.3	21,720	19.7	82.9	14
Harrison	68,761	95.9	1.7	1.5	23,309	17.7	86.9	13
Lewis	16,414	97.6	0.6	0.9	21,175	20.3	84.7	15
Wetzel	15,988	98.3	0.4	0.7	21,653	19.7	81.5	14
Monroe	13,582	97.4	0.8	0.8	20,294	13.6	80.3	16
Nicholas	25,827	98	0.3	0.7	23,209	19.2	82.4	15
Summers	13,417	92.8	5.1	1.7	17,416	19	78.6	17
Webster	8,834	98.1	0.4	0.4	17,937	25.2	70.6	18
WV Statewide	1,850,326	93.8	3.6	1.4	22,966	17.9	83.9	13
Average for affected WV counties	--	--	--	--	20,124	19.4	80.5	15.3
P-value ($\alpha = 0.10$)	--	0.001	0.002	.002	0.000885	0.0735	0.012	.0001

Table C: Demographic and Income Data for the MVP Route Compared to Statewide VA ⁹

County	Population	White %	Black %	Hispanic %	Income \$ per capita	% Living in poverty	% Graduated HS	% Lacking basic literacy ¹⁰
Franklin	8,526	40	56.4	2.2	19,588	23	79.4	12
Giles	16,814	95.5	1.6	1.4	23,485	13.3	80.5	13
Montgomery	97,244	85.3	4.1	2.9	23,548	24.5	89.6	10
Pittsylvania	62,383	76.3	21.8	2.4	21,583	14.5	79.1	17
Roanoke	99,428	61.3	28.8	5.8	23,295	22.4	81.8	8
VA Statewide	8,326,289	70.8	19.7	8.6	33,493	11.3	87.5	12
Average for affected VA counties	--	--	--	--	\$22,300	19.5	82.3	12
P-value ($\alpha = 0.10$)	--	0.534	0.286	0.0008	0.00006	0.012	0.025	0.5

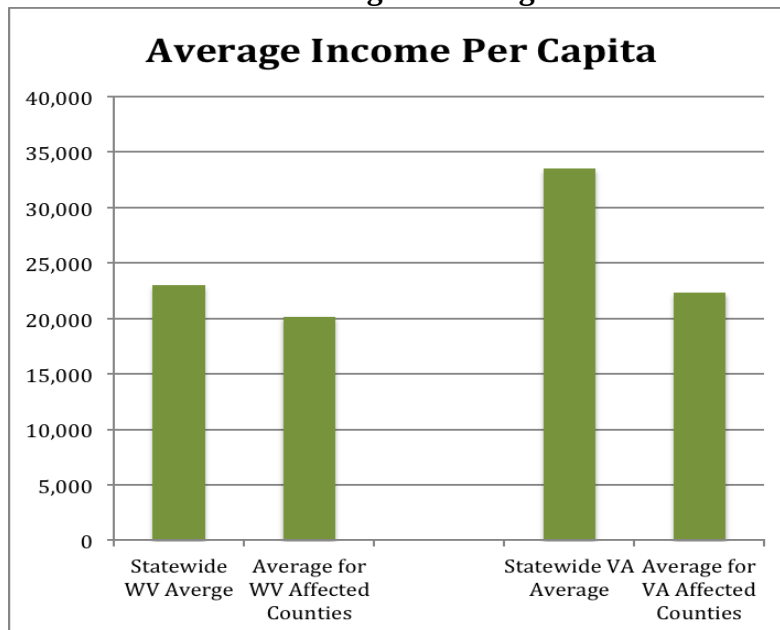
⁷ Data in the table, unless otherwise stated, were collected from United States Census Bureau accessed at <http://quickfacts.census.gov/>.

⁸ National Center for Education Statistics. "State and County Estimates of Low Literacy." Institute of Education Sciences. 2003. Accessed May 31, 2015.

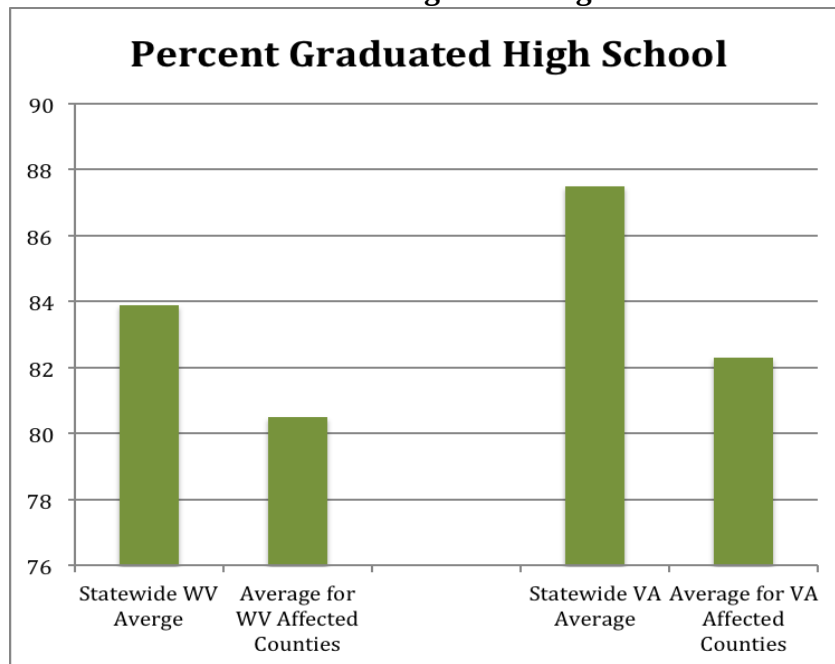
⁹ Data in the table, unless otherwise stated, were collected from United States Census Bureau accessed at <http://quickfacts.census.gov/>.

¹⁰ National Center for Education Statistics. "State and County Estimates of Low Literacy." Institute of Education Sciences. 2003. Accessed May 31, 2015.

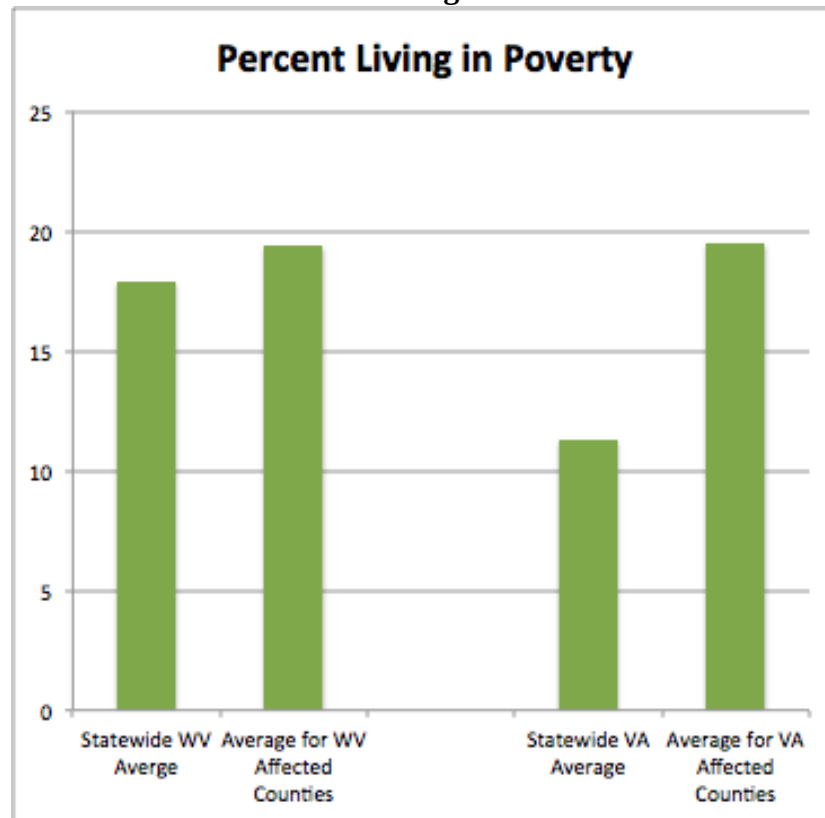
Graph A: Average income per capita for affected counties versus statewide Virginia and West Virginia averages



Graph B: Percent graduated high school for affected counties versus statewide Virginia and West Virginia averages



Graph C: Percent living in poverty for affected counties versus Virginia and West Virginia averages



According to data and calculations, the West Virginia counties affected by the pipeline have a significantly higher percentage of residents lacking basic literacy and living at or below the poverty line as compared to the statewide average. Additionally, these counties have, on average, considerably (and significantly) lower income per capita and rates of high school graduation compared to the statewide average. The calculated p-value on the last row of the table shows the statistical odds of getting as extreme a difference between the averages in the counties shown and the statewide averages for each category due to chance. The very low p-values for income per capita, percent living in poverty, and percent graduated high school suggest that the observed differences in averages are highly significant and have a very low likelihood of happening due to random chance.

While the average income per capita for West Virginia is \$22,946 per year, the average per capita income of the threatened counties in West Virginia is \$20,124. The p-value of 0.0008 suggests that the odds of this occurring due to chance are around 0.08 percent. Further, the statewide percentage of high school graduates is 84, while the average percentage of high school graduates of the WV counties under question is 80.5 percent. The likelihood of this large discrepancy occurring due to chance is 1.2 percent. With respect to the percent living at or below the poverty line, the WV statewide average is 17.9 percent, while the threatened counties have an average of 19.4. The statistical odds of this occurring due to chance is 7.35 percent. Lastly, the percentage of residents lacking basic literacy in WV is 13, while in the counties under question the average is 15.3. The odds of this occurring due to chance is 0.01 percent.

Similarly, threatened counties in Virginia had lower income per capita and percent graduating high school, as well as increased percent living in poverty than the statewide average. The striking p-value obtained for income per capita, 0.00006, suggests that the odds of getting such an alarming discrepancy between the averages in the threatened counties and the statewide average due to chance is close to 0 percent. For comparison, while the statewide average per capita income in Virginia is \$33,493 per year, the average of the threatened counties is \$22,300 per year. For percent living in poverty, the statewide average 11.3 percent compared to 19.5 in the affected counties. The probability of this occurring due to chance is 1.2 percent. Lastly, the VA statewide percentage of high school graduates is 87.5 percent, compared to 82 percent for the threatened communities. The odds of this occurring due to chance is 2.5 percent.

With considerably lower basic literacy and education, communities along the MVP in West Virginia are inherently at a disadvantage with respect to their ability to submit articulate and persuasive comments reflecting their concerns with the project. Likewise, communities along the MVP in Virginia have markedly lower levels of income and education than the statewide average, raising similar concerns of environmental injustice and the targeting and exploitation of those already economically disadvantaged for private gain.

Presidential Executive Order 12898 requires that all federal agencies strive for environmental justice by identifying and addressing disproportionately high and adverse human health or environmental effects of its actions on minority populations and low-income populations. It is our understanding that the FERC is “an independent government agency that is officially organized as part of the Department of Energy.”¹¹ Given that the FERC is an extension of the Department of Energy, which is a federal agency, FERC should be mandated to comply with the same standards as any other federal agency. It must fall upon the DOE to insure that the FERC address these social and environmental injustices perpetuated by the proposed route of the MVP and the lack of adequate public hearings during the scoping process.

Further, FERC is funded through costs recovered by the fees and annual charges from the industries that it regulates, namely, pipeline projects like the MVP. This inherent conflict of interest necessitates more stringent regulations and standards.

Guidance for enforcement of the National Environmental Policy Act states, “When a disproportionately high and adverse human health or environmental effect on a low-income population, minority population, or Indian tribe has been identified, agencies should analyze how environmental and health effects are distributed within the affected community....This type of data should be analyzed in light of any additional qualitative or quantitative information gathered through the public participation process.”¹²

¹¹ Federal Department of Energy. Accessed at <http://www.ferc.gov/students/whatisferc.asp> on June 9th, 2015.

¹² Council on Environmental Quality. “*Environmental Justice Guidance under the National Environmental Policy Act.*” Environmental Protection Agency. 1997. Accessed May 31, 2015. http://www.epa.gov/oecaerth/environmentaljustice/resources/policy/ej_guidance_nepa_ceq1297.pdf

According to The Department of Transportation's (DOT) Pipeline and Hazardous Materials Safety Administration (PHMSA), there are three fundamental environmental justice principles:¹³

- To avoid, minimize, or mitigate disproportionately high and adverse human health and environmental effects, including social and economic effects, on minority populations and low-income populations.
- To ensure the full and fair participation by all potentially affected communities in the transportation decision-making process.
- To prevent the denial of, reduction in, or significant delay in the receipt of benefits by minority and low-income populations.

When public hearings were conducted to allow citizens to address concerns with the FERC, there were only two scheduled meetings in Virginia (Elliston and Chatham), and only four scheduled meetings in West Virginia (Lindside, Pine Grove, Weston, Summersville)¹⁴. As illustrated by the aforementioned statistics, the counties that stand to be affected by the MVP have lower levels of education and higher levels of poverty than the statewide averages. Those who are economically disadvantaged do not have the time or resources to devote hours of traveling time to attend the nearest meeting. Because FERC only approved six public hearings within a route that encompasses seventeen counties, a large number of people whose livelihoods would be impacted by the pipeline are not getting the opportunity to have their voices heard, simply because they cannot afford to take the time to travel. To ensure the abidance of Presidential Executive Order 12898, FERC must implement additional public hearings along the MVP. If they do not, the DOE and PHMSA must force them to do so under the law.

Further, while the MVP scoping period is currently underway to allow citizens to submit written comments on the project, some counties have had less time to gather information and submit concerns. Because MVP's proposed path has changed multiple times, newer counties along the alternative route, such as Craig County, have had minimal time to prepare comments compared to other counties that have been on the proposed path from the beginning. Given that a significant number of landowners and affected parties have had less time than others to comment, it is crucial that there be an extension of the scoping period, giving them at least 90 more days to research their situation. FERC is obligated to comply with Executive Order 12898, particularly in light of the social and environmental injustices that MVP poses.

EQT's Lawsuit History

EQT has been confronted with numerous lawsuits, calling its environmental standards and reliability into question. Currently, EQT is facing six misdemeanor charges of pollution of waters, disturbance of waterways, and disturbance of waterways and watersheds.

Pennsylvania's Department of Environmental Protection filed a complaint before the state's Environmental Hearing Board seeking an unprecedented \$4.5 million civil penalty for a 2012 wastewater spill at a natural gas drilling site in Tioga County. The spill entered three waterways—one of which was previously designated as a high quality, cold water fishery by the

¹³ <http://www.phmsa.dot.gov/org/civilrights/EnvironmentalJustice>

¹⁴ Federal Regulatory Commission Docket No. PF15-3-000 on the Mountain Valley Pipeline.

state Department of Environmental Protection and a Class A wild brook trout stream by the Fish and Boat Commission.

Further, just days before the Pennsylvania DEP complaint, the Pennsylvania attorney general filed criminal charges against EQT regarding discharges from a well pad in Duncan Township. While EQT originally proposed an impoundment in its earth disturbance permit, the company stated it would be used solely for the storage of fresh water.

Instead, the company opted to use the impoundment to store flow-back water from Marcellus drilling operations to be used for fracking. Because the company was not mandated to install monitoring wells or leak-detection equipment in the impoundment, EQT severely compromised environmental protection. Further, EQT continued to add flow-back water to the impoundment even after it became clear of elevated chlorides in the monitoring wells. Later inspections revealed that the impoundment had over 200 holes in its liner.

As acting DEP Secretary Dana Aunkst said in a statement regarding the incident, “EQT fails to recognize the ongoing environmental harm from the significant amount of waste released by its leaking six-million-gallon impoundment.” EQT has consistently shown that it cannot be trusted in the handlings of its existing operations, and allowing the corporation to proceed with the MVP is allowing it to continue to endanger millions of other citizens, as it has consistently done with its past operations.

Conclusion

The impacts on the land, air and water resources that would occur if this project advances are contrary to the letter and the spirit of the National Environmental Policy Act, which is to prevent or eliminate damage to the environment and the biosphere. It is essential that those who stand to be impacted by this proposed project be given more time to submit comments and that additional public hearings be scheduled before the FERC is able to adequately or accurately certificate the MVP. The only alternative would be for the FERC to proceed with the denial of the certificate of convenience and public necessity at this time. For all the reasons explicated in this statement, and many others, the Blue Ridge Environmental Defense League believes that the FERC should not certificate the MVP.

We plan to submit further comments.

Respectfully submitted,

Mara Eve Robbins, Virginia Coordinator