Press Release from the Southern Environmental Law Center, Appalachian Mountain Advocates, and the Allegheny-Blue Ridge Alliance

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Study: Proposed Interstate Natural Gas Pipelines Not Needed

Existing system, supply can deliver natural gas through 2030

AFTON, VA – A new study of the mid-Atlantic's demand for natural gas reveals that two proposed and highly controversial interstate pipelines are not needed because existing pipelines can supply more than enough fuel to power the region through 2030.

The study concludes that the Atlantic Coast Pipeline and the Mountain Valley Pipeline – projects strongly opposed by local governments, businesses and thousands of mid-Atlantic neighbors – would be financially beneficial to utility companies and investors while burdening customers with higher bills to cover the cost of the unnecessary construction.

The report from Massachusetts-based Synapse Energy Economics was released today in Nelson County, one of the many areas that would be severely disrupted by pipeline construction.

"The dilemma for communities up until now has been figuring out where these pipelines would be built," said Greg Buppert, an SELC staff attorney. "But today we know they don't need to be built at all. Despite what we have heard from the utilities, we will have plenty of power and heat without them."

The report's authors studied the capacity of the existing network of pipelines and the region's projected demand for energy. They concluded that, with some pipeline upgrades, "the supply capacity of the Virginia-Carolinas region's existing natural gas infrastructure is more than sufficient to meet expected future peak demand."

The researchers wrote: "Additional interstate natural gas pipelines, like the Atlantic Coast and Mountain Valley projects, are not needed to keep the lights on, homes and businesses heated, and existing and new industrial facilities in production."

"The Federal Energy Regulatory Commission cannot approve any pipeline project unless it is absolutely necessary," said Joe Lovett, executive director of Appalachian Mountain Advocates. "And in cases like this, where the government allows for-profit companies to take private property -- family farms, people's homes -- that protection is especially crucial. This report shows the pipelines are not needed, so there should be no eminent domain for private gain. To do so would violate the law and the private property traditions of Virginia."

The pipelines, if approved, would also lock in the mid-Atlantic region to dependence on natural gas for 80 years, the lifetime of the pipelines.

"An investment of billions of dollars in natural gas will further discourage these utilities from moving towards renewable energy, like solar and wind power that could save their customers more money," Buppert said.

The two proposed pipelines would transport fracked natural gas from wells in West Virginia to customers in Virginia and the Carolinas. The pipelines would transect valuable natural and recreation areas, along with cities, towns and farms. A number of citizen groups and businesses in several states have formed to oppose the pipelines.

The report also raises the possibility of another utility-driven incentive to push for these projects.

Because the supply of natural gas is abundant, utilities are exploring options to export the fuel overseas. That would require more capacity to move natural gas to the mid-Atlantic's coastal ports. Therefore, "pipeline developers … have an additional motivation to expand their ownership interests in natural gas supply infrastructure," the researchers said.

In that case, those living along the pipeline's route would face extensive disruptions during construction -- and the loss of land use after -- while the utilities and investors reaped the benefits.

"To safeguard public interests, a determination of need for new pipeline infrastructure requires a detailed, integrated analysis of natural gas capacity and demand for the region as a whole," the researchers wrote.

The Federal Energy Regulatory Commission is evaluating the proposals.

SELC and Appalachian Mountain Advocates commissioned the study to independently check utilities' claims that these projects were needed to meet the region's energy needs.

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