



International Union of Operating Engineers

AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

April 6, 2017

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

JAMES T. CALLAHAN
GENERAL PRESIDENT

RE: Atlantic Coast Pipeline & Supply Header Projects
FERC Docket Nos. CP15-554-000, CP15-554-001, & CP15-555-000

BRIAN E. HICKEY
GENERAL SECRETARY-TREASURER

Dear Mr. Davis:

The International Union of Operating Engineers respectfully submits the following comments regarding the Draft Environmental Impact Statement for the proposed Atlantic Coast Pipeline and Supply Header Projects.

The International Union of Operating Engineers (IUOE) represents heavy equipment operators and mechanics in the construction industry throughout the United States and Canada. A large cadre of IUOE members possess specialized training and years of practical experience building the nation's energy infrastructure that powers our country, including such notable projects as the Hoover dam, the Trans-Alaska Pipeline, and countless power plants and pipelines.

The International Union of Operating Engineers is one of four labor unions signatory to the National Pipeline Agreement with the Pipe Line Contractors of America (PLCA). It is through this agreement that skilled pipeline workers will build this key piece of Mid-Atlantic energy infrastructure.

Thousands of members of the Operating Engineers Union hope to put their skills and expertise to work building the Atlantic Coast Pipeline Project. Their livelihood depends on the determination made by the Federal Energy Regulatory Commission (FERC) regarding the site certificate.

The Atlantic Coast Pipeline is a 600-mile energy-infrastructure project would begin in Harrison County, West Virginia and travel southeast through Virginia and then proceed south to Robeson County, North Carolina and serve the energy needs for the states of Virginia and North Carolina. Three compressor stations, which help maintain the flow of gas, are proposed in Lewis County, West Virginia; Buckingham County, Virginia; and Northampton County, North Carolina.

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During construction, the project is also estimated to generate \$2.7 billion in total economic activity and support 17,240 jobs. Additionally, capital expenditures during construction will generate \$4.2 million annually in total tax revenue paid to local governments. The utilities' payment of property taxes through all the various localities it passes through could result in nearly \$30 million annually by 2022. Furthermore, the lower cost of natural gas to fuel power generation lowers energy bills. Virginia and North Carolina electricity consumers could save up to \$377 million annually.

The Operating Engineers commend FERC staff for their comprehensive response to potential issues regarding pipeline construction near "karst" formations.

The ACP will cross 32.5 miles, and the Supply Header Project (SHP) will cross 1.1 miles of karst terrain. Pipeline opponents have claimed that pipeline construction near karst (underground limestone formations, including sinkholes) could potentially produce erosion, and even pipeline failure because of the instability of the subsurface.

The DEIS correctly states that approximately 50 percent of the terrain in the pipeline's vicinity includes karst formations, and that thousands of miles of pipelines have been built and operated in and near these and other karst features with few problems. For these reasons, it is unlikely this or any other pipelines will experience karst-induced problems.

However DEIS also includes additional protective measures. The DEIS contains a lengthy Appendix I, which outlines a Karst Mitigation Plan. The Plan's requirements include extensive pre-project site reviews by certified specialists in identifying karst formations, continuous monitoring of the construction area for karst activity, including features that may form during pipeline installation, and compliance with the Virginia Cave Board's "Karst Assessment Standard Practice" will provide additional protections against the unlikely occurrence of a karst event.

The Operating Engineers would prefer a more comprehensive discussion in the DEIS about the project's cumulative air quality impacts. The DEIS asserts that the pipeline's cumulative impacts should include the air emissions from two non-jurisdictional natural gas fired power plants. (Page. 4-508, Table 4.13.3-2.)

It is true that the ACP will supply fuel to new gas-fired power plants which will produce air emissions. The DEIS, however, did not clearly illustrate how these and other new gas-fired power plants are actually replacing several coal fired plants, and producing a net decrease in emissions, both in toxic air pollutants and in greenhouse gasses.

For instance, the DEIS lists the non-jurisdictional gas-fired Brunswick Power Station, a 1,358-megawatt gas-fired power plant's as producing 1,550 tons per year of air emissions. Yet the Brunswick Power Station's start-up will be accompanied by shutdowns of two coal-fired power plants in Eastern Virginia.

Duke Power's shutdown of the coal fired Ashville power plant, which is only one-third as large as the Brunswick plant, will reduce air pollution by roughly 7,000 tons/year. In other words, replacement of a similar coal-fired power plant with a gas-fired plant would produce three times as much energy, while emitting only one-fourth as much air emissions.

A coal-fired power plant with the same generating capacity as the Brunswick plant would emit roughly 10 million tons of greenhouse gasses, while Brunswick will emit only 5 million tons annually of greenhouse gasses.

ACP's increased supply of gas to Virginia and North Carolina will facilitate this phase-out of higher polluting coal power plants, with net benefits in reductions of greenhouse gasses and conventional air pollution.

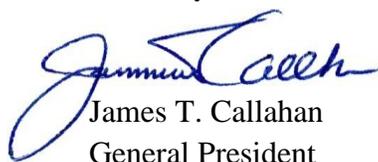
In summary, the DEIS comprehensively outlines elaborate and well-proven pipeline construction mitigation measures to ensure protection of the environment even within this challenging terrain.

The ACP and Header Project will also provide economical supplies of gas to the Southeast, and these supplies will support fuel switching from coal to gas for energy generation in the Southeast. This will produce vast improvements in air quality and reductions in greenhouse gas emissions.

For these reasons, the International Union of Operating Engineers urges FERC to approve the Atlantic Coast Pipeline and Supply Header Projects.

Thank you for your consideration.

Sincerely,


James T. Callahan
General President

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