New Clean Power Plan – Will It Impact ACP Consideration?

The new Clean Power Plan (CPP), announced on August 3 by the Obama Administration, could potentially increase the reliance of the electric power generating industry on natural gas as a fuel by reducing the use of coal in generating electric power. The CPP, a 1500+-page rule issued by the U.S Environmental Protection Agency, would set standards to reduce carbon dioxide emissions by 32% from 2005 levels by 2030.


Will the CPP also become an issue as the Federal Energy Regulatory Commission considers the proposed Atlantic Coast Pipeline and other similar projects? This remains to be seen. FERC Commissioners Clark, LaFleur, Moeller and Honorable have each issued statements commenting on the CPP (see “Statements” for each of the Commissioners at [http://www.ferc.gov/](http://www.ferc.gov/)). Chairman Norman Bay has not yet released a statement.

The expressed views of the four FERC Commissioners vary. Commissioner Moeller observed that the “CPP will also result in a major transformation of the regulation of the electricity sector” and that “consumers will still be paying for plants that no longer produce electricity that at same time they are paying the costs of replacement plants that comply with the CPP.” Commissioner Clark commented that though “EPA officials are writing these regulations, EPA officials are not responsible for ensuring reliable, affordable power. That task falls to America’s utility regulators, engineers, and operators. I am concerned there is an assumption that these dedicated experts will get the job done simply because they always have before.” Commissioner LaFleur called for the “development of energy infrastructure – both electric and gas – necessary to enable changes in how we generate and use electricity,” while Commissioner Honorable commended the EPA on the final version of the CPP.

Other comments, from editorial boards and industry organizations, also vary. The U.S. Chamber of Commerce called the CPP a “war on coal workers” that would cost 34,000 jobs. The Virginia Chamber of Commerce said the new rule would “make America’s electric grid less diverse, less reliable and more expensive. This, in turn, will threaten our international competitiveness.” A natural gas industry association, America’s Natural Gas Alliance which represents independent natural gas exploration and production companies, said “the White House is perpetuating the false choice between renewables and natural gas. We don’t have to slow the trend toward gas in order to effectively and economically use renewables.”

Among newspapers editorials, the Charleston Gazette-Mail challenged the Administration’s authority to issue a regulation under the Clean Air Act, noting that the “EPA is an environmental regulator, not a central economic planner.” The Washington Post called the CPP “about as flexible as possible” and the New York Times said the initiative was “the most important step the administration has taken in the fight against
climate change.” The Wall Street Journal urged states not to comply, observing that the “Governors have no obligation to craft a compliance plan,” while the Richmond Times Dispatch said that Virginia “cannot simply defy the Environmental Protection Agency.” The RTD went on to suggest the Commonwealth might consider joining the Regional Greenhouse Gas Initiative, which operates a regional cap-and-trade system.” Noting that such an action could adversely “hurt Dominion’s bottom line,” the editorial concluded that “What’s good for Dominion, however, is not always what’s good for Virginia.”

FERC Invites Comments on ACP Alternative Routes in Southeast Virginia

The Federal Energy Regulatory Commission (FERC) issued on August 5 a supplemental notice to provide landowners potentially affected by additional pipeline route alternatives along the southern portion of the proposed Atlantic Coast Pipeline (ACP) an opportunity to comment on impacts associated with these newly identified routes. The Commission’s staff will prepare an environmental impact statement that discusses the impacts of the alternatives that the ACP is considering. Counties affected are Brunswick, Greenville, Southampton and Isle of Wright, plus the cities of Franklin and Suffolk. The notice is available at http://elibrary.FERC.gov/idmws/file_list.asp?accession_num=20150805-3025.

Updated ABRA Website Live

If you have visited our website over the last couple of days, you may have noticed some changes. We have updated the site to better reflect suggestions made at the March 7th meeting and after. Most notably, the News, Regulatory Comments and Maps pages have been restructured to be more easily navigated. The Maps page now includes links to the Interactive Parcel Map that Dominion has published, as well as detailed, county-wide maps showing the proposed route and individual parcels for Highland, Augusta, Nelson and Buckingham counties. In addition, a Google Earth KMZ file has been added to allow the user to better understand the visual impacts of the proposed project.

Allowances have been made for additional content, such as the economic studies that have been commissioned by certain members as well as educational materials to aid in collaboration and getting the word out. More content will be added to this section as it becomes available. Any assistance with this or suggestions are welcome.

In the News:

Local/Atlantic Coast Pipeline

Still no resolution after Atlantic Coast Pipeline hearing
- Richmond Times Dispatch – 8/5/15
  Judge taking time to make a decision – “I understand the importance of this case”

Could two natural gas pipelines be combined?
- NewsLeader – 7/30/15

Wild Virginia: George Washington National Forest weighs In on Atlantic Coast Pipeline
- Augusta Free Press – 8/1/15
Atlantic Coast, Mountain Valley Pipeline Backers Nixing Collocation Idea
  - NGI Shale Daily – 7/31/15
  In a not-so-shocking turn of events...

Regional/Mountain Valley Pipeline, other

Pipeline may help Va., not W.Va. jobs
  - Bluefield Daily Telegraph – 7/31/15
    http://www.bdtonline.com/news/pipeline-may-help-va-not-w-va-jobs/article_f0dad0fc-3789-11e5-a79d-f7642711e72e.html
  WV wants the jobs associated with any pipeline to be local

Pipelines’ paths remain a risky mystery beneath our feet
  - State Impact – Pennsylvania – 7/31/15
  Mapping and tracking underground pipelines is notoriously difficult

Zoecklein: Pipeline truth, fiction, money and politics
  - Roanoke Times – 8/4/15

Big Picture:

Obama's clean power plan will hit shale gas share of electricity
  - The Guardian – 8/3/15
  CPP aims to limit the rush to Natural Gas

FERC Joins with DOE, EPA to Manage Rollout of Clean Power Plan
  - Energy manager Today – 8/5/15
    http://www.energymanagertoday.com/ferc-joins-doe-epa-manage-rollout-clean-power-plan-0114332/

Energy Export Bill Gets First Nod in Senate Committee
  - The Intelligencer/Wheeling News Register – 8/1/15
    http://www.theintelligencer.net/page/content.detail?id=638890/Energy-Export-Bill- Gets-First- No----.html
  Bill for oil export and streamlining pipeline construction passes first hurdle