## Commonwealth of Virginia



## GENERAL ASSEMBLY

March 11, 2016

The Honorable Mark Warner United States Senate 475 Russell Senate Office Building Washington, DC 20510

The Honorable Tim Kaine
United States Senate
231 Russell Senate Office Building
Washington, DC 20510

RE: Support for Atlantic Coast Pipeline

Dear Senator Warner and Senator Kaine:

We are writing to you on behalf of the Hampton Roads Caucus, made up of members of the Virginia General Assembly representing one of the Commonwealth's most vibrant regions. We appreciate your distinguished service to Virginia, and we commend you for your dedication to the people of our state, including the citizens of the Hampton Roads localities.

As you know, the proposed Atlantic Coast Pipeline is the subject of discussion and debate throughout Virginia. Like you, we have heard a wide variety of viewpoints about this project. And having heard those viewpoints and carefully reviewed the information about the pipeline, we want you to know that the Hampton Roads Caucus strongly supports the Atlantic Coast Pipeline.

The need for this project is urgent; to put it bluntly, our region's natural gas transportation system has reached a tipping point. The pipelines serving Hampton Roads are fully subscribed. Without new infrastructure, there is no way to meet our region's rising demand for natural gas. And without new infrastructure, the abundant, economical supplies of natural gas being produced just a few hundred miles away will remain virtually inaccessible for our communities, crippling our prospects for economic growth. We believe the Atlantic Coast Pipeline would dramatically

Senator Warner Senator Kaine Page 2 March 11, 2016

change that situation and be a major step forward in promoting the economic and environmental health of our region and of the whole Commonwealth.

An important part of the proposal is an extension of approximately 70 miles carrying gas from the pipeline's main corridor to the Hampton Roads area, with the eastern terminus in the city of Chesapeake. Our region's pipeline infrastructure is now operating at capacity and subject to severe stress during periods of extreme demand. That was the case during the record cold experienced in the winter of 2014, when pipeline constraints caused huge increases in natural gas commodity prices. Additionally, on extremely cold days, Virginia Natural Gas is often forced to interrupt service to large-use customers, further demonstrating that major new customers cannot be added without an expansion of pipeline infrastructure. With the Atlantic Coast Pipeline in place, Hampton Roads would have unprecedented access to natural gas, and the possibility of supply constraints, service interruptions, and price spikes would be greatly reduced.

The Hampton Roads area also needs these unprecedented supplies of economical, domestically produced natural gas for another important reason: our region's continued economic development and health. Our efforts to attract new industries and businesses have taken on an even greater importance as federal spending, especially for the military, continues to decline. Hampton Roads boasts many advantages—including the deepest shipping channels on the East Coast and a highly skilled workforce—that make it attractive to new businesses. But we face a significant, and at times crippling, disadvantage: inadequate access to natural gas. Modern industry is heavily dependent on this fuel source. If prospects cannot be sure they will have the supplies they need, they will quickly look elsewhere. The current constraints put Hampton Roads at a serious disadvantage when trying to recruit new industries and with them new opportunities for our working men and women.

We also believe the pipeline will help families throughout Hampton Roads in another important way, by helping hold down energy costs. A report released last year by the respected consulting firm of ICF International found that the pipeline, once operating, would produce energy cost savings averaging \$243 million per year for Virginia consumers. Customers of both gas and electric utilities would share these benefits.

Finally, we want to emphasize the environmental benefits that would stem from construction of the pipeline. We all treasure our region's natural resources and want to do everything possible to protect them. The pipeline would provide operators of electric power stations here in Virginia Senator Warner Senator Kaine Page 3 March 11, 2016

with much better access to this clean-burning fuel and in turn help them comply with the carbon restrictions in the U.S. Environmental Protection Agency's Clean Power Plan. Natural gas, when used to produce electricity, releases far less carbon dioxide than other fossil fuels. In fact, the Clean Power Plan identifies natural gas as a key "building block" in efforts to reduce carbon emissions.

For all these reasons – promoting economic growth, helping our working families save money on their energy bills, and protecting our environment – the Hampton Roads Caucus strongly supports the Atlantic Coast Pipeline. We appreciate this opportunity to share our views and we would be happy to discuss the project with you. Feel free to contact us at our District offices. Thank you again for your service to our Commonwealth.

Sincerely,

Bill DeSteph, HRC/Co-Chair

Senator, 8th District

Kenneth Alexander Senator, 5th District

Ellen M. Janes Glenn Davis

Delegate, 84th District

Daun Hester

Delegate, 89th District

Matthew James

Delegate, 80th District

Monty Mason, HRC Co-Chair

Delegate, 93rd District

Robert Bloxom

Delegate, 100th District

Gordon Helsel

Delegate, 91st District

Keith Hodges

Delegate, 98th District

S. Chris Jones

Delegate, 76th District

Steve Heretick

John Cosgrove

Delegate, 79th District

Senator, 14th District

Riley Ingram

Delegate, 62nd District

Barry Knight

Delegate, 81st District

Senator Warner Senator Kaine Page 4 March 11, 2016

James Leftwich

Delegate, 78th District

Mamie Locke

Senator, 2nd District

Jason Miyares Delegate, 82nd District

Brenda Pogge

Delegate, 96th District

Chris Stolle

Delegate, 83rd District

Ron Villanueva

Delegate, 21st District

David Yancey

Delegaté, 94th District

Lynnwood Lewis

Senator, 6th District

Louise Lucas

Senator, 18th District

Rick Morris

Delegate, 64th District

Marcia Price

Delegate, 95th District

Scott Taylor

Delegate, 85th District

Frank Wagner

Senator, 7th District

Joseph Lindsey
Delegate, 90th District

John Miller

Senator, 1st District

Thomas Norment Senator, 3rd District

Lionell Spruid

Delegate, 77th District

Roslyn Tyler

Delegate, 75th District

Jeion Ward

Delegate, 92nd District