

Opponents of a 500-mile natural gas pipeline targeted Dominion Resources Inc.'s annual shareholders meeting Wednesday, with more than 100 protesters picketing outside and others who will be affected directly asking the company's top executive to halt the plan.

Thomas F. Farrell II, the chairman, president and CEO of the Richmond-based energy giant, called the planned Atlantic Coast Pipeline a necessity during comments to investors outlining the company's strategy for the next six years.

The \$4.5 billion to \$5 billion pipeline will carry natural gas from the abundant shale fields of West Virginia to Virginia and North Carolina, but it has drawn the ire of environmental groups and rural Virginia residents who do not want the line to run through their property.

Yvette Ravina from Churchville, located northwest of Staunton, stood with the protesters while holding a poster showing a fire-breathing dragon emerging from the pipeline. The planned route would cut through her farm, she said, leaving her worried about leaks that could harm water quality or other harmful effects.

"I think that we'll get the attention of the shareholders of the corporation that don't realize they're risking lives," Ravina said in between group chants of "Hey, hey. Ho, ho. Fossil fuels have got to go."

Inside the meeting at the Dominion's Innsbrook Technical Center in Henrico County, six of the 14 shareholders who stood up during a question-and-answer session with Farrell spoke against the pipeline.

Consumer advocate Irene Leech said her family farm in Buckingham County will be bisected by a mile of the pipeline, making it impossible for her children to eventually build homes there. Leech also questioned the safety of having the line so close to her home.

Farrell assured Leech that the pipeline is safe and promised that the company will continue working with landowners who allow them to survey the property to try to come up with the least invasive route along their land.

During the shareholders meeting, Farrell explained that federal emissions standards will require the company to continue to move away from coal. The company has already significantly shifted away from coal, which accounted for close to half of the company's electricity capacity in 2007 and is less than a third today. Farrell said even more coal plants will likely be shut down in coming years to meet federal regulations.

At the same time, Dominion's projected customer growth is double the regional average and 50 percent higher the national average.

"Virginia and North Carolina in particular do not have enough gas infrastructure," Farrell said. "This is extremely important. (And) it's going to result in much cleaner air."

One natural gas-fired power plant is under construction in Brunswick County. It is about 60 percent completed. Another plant is planned for Greenville.

The Brunswick plant will replace power that was previously generated at a coal-fired facility and will not affect the expected demand increases, he said. The Atlantic Coast Pipeline will make those natural gas-fired plants more reliable and help ensure that customer rates are low by increasing the company's options for getting the cheapest natural gas supply.

Farrell told shareholders the company set records in reliability, performance and safety last year, all while maintaining rates that keep the average customer bill 20 percent lower than the national average and just 2 percent higher than they were in July 2008.

While planning the new pipeline, Farrell said, the company studied about 3,000 potential miles before settling on the current 500-mile route.

“We have a responsibility ... to provide reliable power at reasonable rates,” he said. “We’re doing the best we can with this route.”

Another shareholder asked Farrell to halt plans by the company’s Dominion Virginia Power unit to build a high-rise electrical transmission line over a historic section of the James River near Jamestown.

Farrell said no because of the need in the Tidewater region, which has the risks of future rolling blackouts. “If we could bury it underneath the river, we would. It is not technically feasible. We will not withdraw the line, and it will be built,” he said.

After one of the shareholder’s questions, Farrell said he was somewhat surprised that the company was not receiving more praise for all the work it has already done to reduce pollution and increase its portfolio of renewable energy.

Stockholders rejected seven shareholder proposals that would have, among other things, required Dominion to outline the financial risks posed by climate change, tied executive compensation to reductions in carbon dioxide emissions, and scrapped the idea of building a third nuclear reactor at its North Anna plant in Louisa County.

Three of the proposals relating to environmental issues received at least 20 percent of the vote.