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Riverkeepers file comments against Dominion project

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Several community environmental organizations filed comments this week in opposition to the Dominion Cove Point Liquified Natural Gas facility's request to export natural gas.

Dominion already received Department of Energy approval in October to export to countries with a free trade agreement with the U.S. and it now awaits approval to export to non-FTA countries, including many in Asia and the Middle East. If the project is approved, Dominion has stated it would export up to 1 billion cubic feet per day, or 7.82 million metric tons per year, over a 25-year term to any country with which the U.S. does not prohibit trade. The company would not actually own or directly export the LNG; customers would be responsible for supplying the natural gas to the terminal and then shipping and selling the LNG to foreign entities

But the Delaware Riverkeeper, Lower Susquehanna Riverkeeper and Potomac Riverkeeper, whose missions are to protect and improve community waterways, recently filed comments with DOE challenging what they call "the next threat to America's energy independence, environmental health, and family economics," according to a press release. A handful of other riverkeeper organizations, including the Patuxent Riverkeeper, signed off on the comments as well.

The comments state that the Dominion project will increase the cost of American gas, lead to more drilling that will harm the environment and create additional impacts due to thousands of miles of pipelines that will crisscross Pennsylvania, Virginia, Ohio, West Virginia, New York and Maryland to reach the Lusby export facility.

"LNG facilities like the one proposed for Cove Point are intended to ship natural gas extracted in this country off to foreign lands," Lower Susquehanna Riverkeeper Michael Helfrich said in the release. "The result is that gas drillers can ship American gas overseas in order to make more money, but this increases the price of natural gas for us, and our communities and environment get ravaged by the shale gas 'gold rush.'"

"The assertion of cheap gas and energy independence touted by the drillers is, like the claims they make for gas drilling, clearly just another marketing campaign," Delaware Riverkeeper Maya van Rossum said in the release. "We know that because they are investing tremendous sums of money and political capital in building and expanding all of the pollution and harm from gas drilling while foreign countries get to use the gas and drillers get to reap the benefits. It's a lose-lose for Americans."

According to the groups' comments, the "simple truth" is that Dominion's terminal will rely largely on Marcellus and Utica shale, which the groups don't believe is an accurate prediction for the 25-year span requested, leading to more coal-fire generation, which has greater environmental impacts.

Moreover, Patuxent Riverkeeper Fred Tutman said he has local environmental concerns as well, not only with the plant's expansion but with the network of infrastructure that would "cut through the ground."

"I would expect to see more erosion in the surrounding streams as they build infrastructure, pipes," Tutman said. "The waterways are very vulnerable to tunneling they'll have to do. ... It's gonna have an egregious impact to people's quality of life."

Then the government will spend the money it makes from the Dominion project on cleaning up the waters later, he said.

Although it is policy for Dominion to respond to the comments in writing eventually, on Wednesday spokesman Dan Donovan said DOE is waiting to make a decision on the proposal to export to non-FTA countries until the completion of two federal studies and one is already finished. According to that study, conducted by the Energy Information Administration, the price of natural gas in the U.S. should increase by 3 to 9 percent as a result of the project, Donovan said, but "it would still keep the cost of natural gas in the U.S. lower than anywhere in the world while making the business more competitive than anywhere in the world."

The second study is an economic study, and Donovan said, "We're very optimistic about that study."

He thinks it will reflect figures Dominion cited in its own study, mainly that the expansion will reel in $40 million in property tax revenue and create 3,100 peak construction jobs.

Other economic studies filed with the application show that over the next 25 years, the project could reduce the U.S. trade imbalance by at least $2.8 billion annually and possibly as much as $7 billion, and 14,600 permanent jobs in the oil and gas industry could be added nationwide.

Donovan said he expects the DOE to make a decision on whether to issue Dominion a permit for the project by the middle of this year. The project would then go to the Federal Energy Regulatory Commission and other federal, state and local agencies for approval. Construction of additional liquefaction facilities to the existing Cove Point terminal is expected to begin in 2014 with an in-service date of late 2016.

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