

March 31, 2017

Kimberly D. Bose, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

**Re: Atlantic Coast Pipeline, LLC  
Atlantic Coast Pipeline  
Docket Nos. CP15-554-000 & CP15-554-001  
Supplemental Information – VOF Open Space Conversion Applications**

Dear Secretary Bose:

On September 18, 2015, Atlantic Coast Pipeline, LLC (Atlantic) filed an abbreviated application (Application), under the above referenced docket CP15-554-000, for the Atlantic Coast Pipeline pursuant to Section 7(c) of the Natural Gas Act, as amended, and Part 157 of the Rules and Regulations of the Federal Energy Regulatory Commission (Commission or FERC). Additionally, on March 14, 2016, Atlantic filed an Amendment to its pending Application, under the above referenced docket CP15-554-001.

As referenced in the Virginia Outdoors Foundation's (VOF's) letter dated March 10, 2017, the VOF Board of Trustees (VOF Board) held a meeting on February 9, 2017, to consider Atlantic's applications for conversion of ten open space easements.

The General Assembly established §10.1-1704 of the Code of Virginia to provide a means for the VOF Board to approve the conversion of open space easements in limited situations when there is a demonstrated public need. Atlantic's applications to VOF (which are included in VOF's letter), as well as its presentation to the VOF Board outline the purpose and need of the Atlantic Coast Pipeline (ACP or Project) and how the Project meets the relevant statutory criteria for conversion. Atlantic's presentation to the VOF Board is included in Attachment 1.

Atlantic has taken significant steps to avoid and minimize impacts to conservation easements and has proposed substantial replacement land as mitigation for the crossing of the ten VOF easements. As noted in the staff reports that were submitted with VOF's letter, the proposed mitigation properties meet the statutory requirements for replacement land and have the potential to serve multiple conservation goals and opportunities for the Commonwealth of Virginia.

Atlantic is committed to meeting the following conditions, which are included in the final conclusions for each open space easement conversion application found at the end of each VOF

staff report, and as outlined in the VOF letter. Atlantic supports the inclusion of these VOF conditions in the Final Environmental Impact Statement and Certificate. Atlantic will comply with these conditions contingent on VOF's approval of Atlantic's ten applications:

- *Issuance of a Certificate of Public Convenience and Necessity (Certificate) by FERC and all other necessary state and federal permits for the proposed ACP route crossing this easement.*
- *VOF approval and sign off of final ROW easement permitting only a permanent 50-foot easement for one 42-inch diameter underground natural gas pipeline and the associated permanent access road easement. No above-ground structures are permitted within this permanent ROW except for above ground pipeline markers as required by law.*
- *ACP transfer of fee-simple interest to VOF of the proposed 1,034-acre Hayfields Farm Property and 85-acre Rockfish River Parcel as Substitute Land for the converted areas of the open-space easement property.*
- *The acceptance of funds from ACP to: (i) serve as a Stewardship Fund to support VOF with the operation and management of the substitute properties, and (ii) partially offset VOF's unreimbursed costs associated with the ACP.*

Atlantic appreciates the VOF's thorough review of our conversion applications. Should there be any additional questions, please do not hesitate to contact Angela Woolard at 866-319-3382.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Hartz".

Leslie Hartz  
Vice President  
Atlantic Coast Pipeline

**cc:**

Kevin Bowman, FERC  
Brett Glymph, Executive Director, Virginia Outdoors Foundation  
Martha Little, Director of Stewardship, Virginia Outdoors Foundation  
Service List

encl(s)/

**Atlantic Coast Pipeline, LLC**  
707 East Main Street, Richmond, VA 23219



**Attachment 1**

# Atlantic Coast Pipeline (ACP)

Virginia Outdoors Foundation (VOF)

February 9, 2017

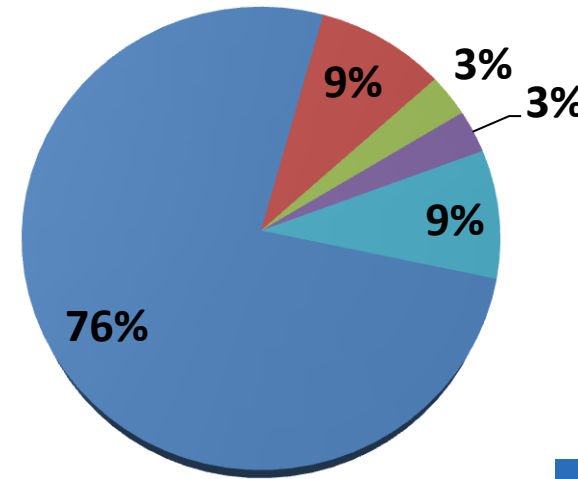
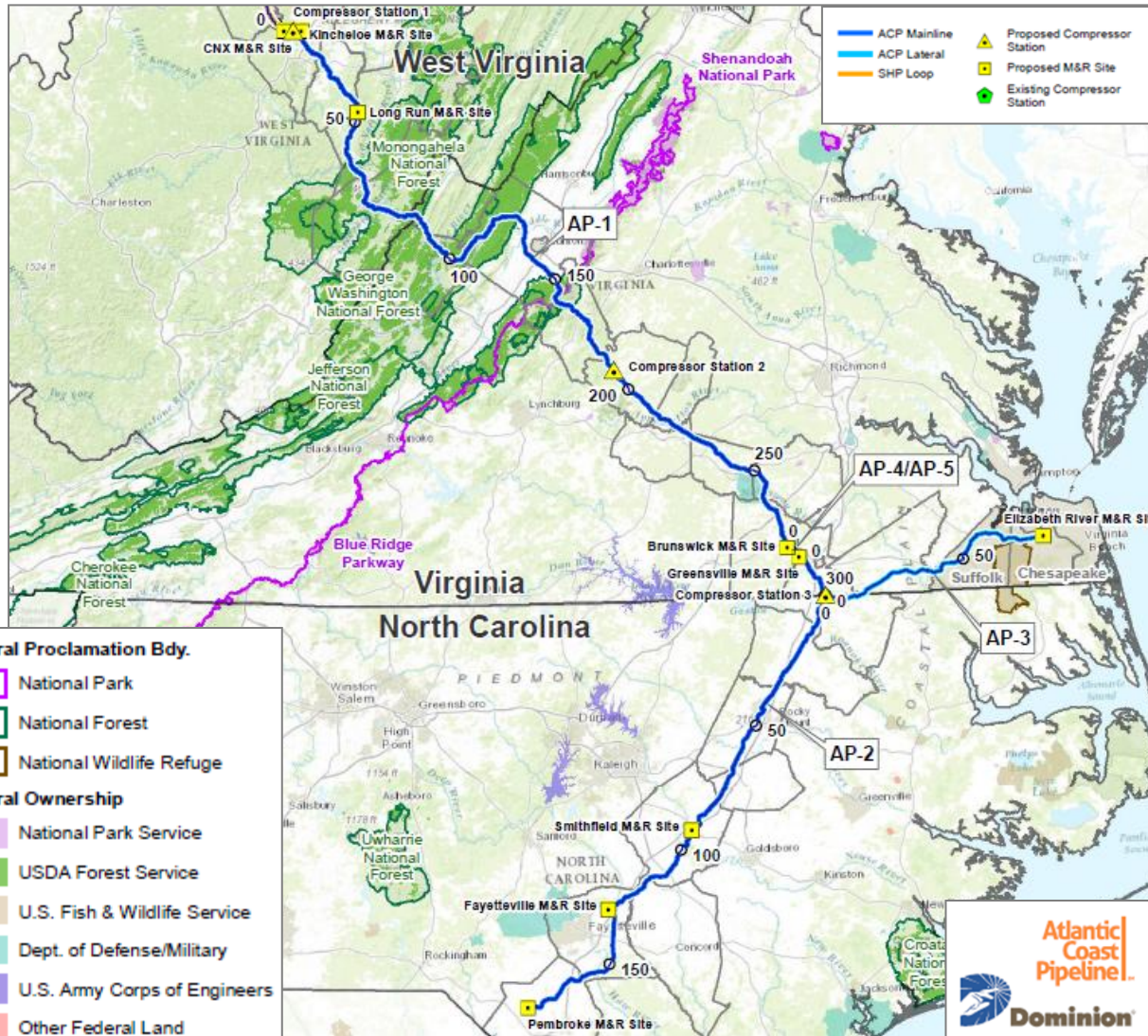


# Presentation Outline

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- Project Overview
- VOF Conversion/Diversion Process
- Essentiality
- Local Comprehensive Planning
- Routing Alternatives Analysis
- Replacement Lands

# Project Overview



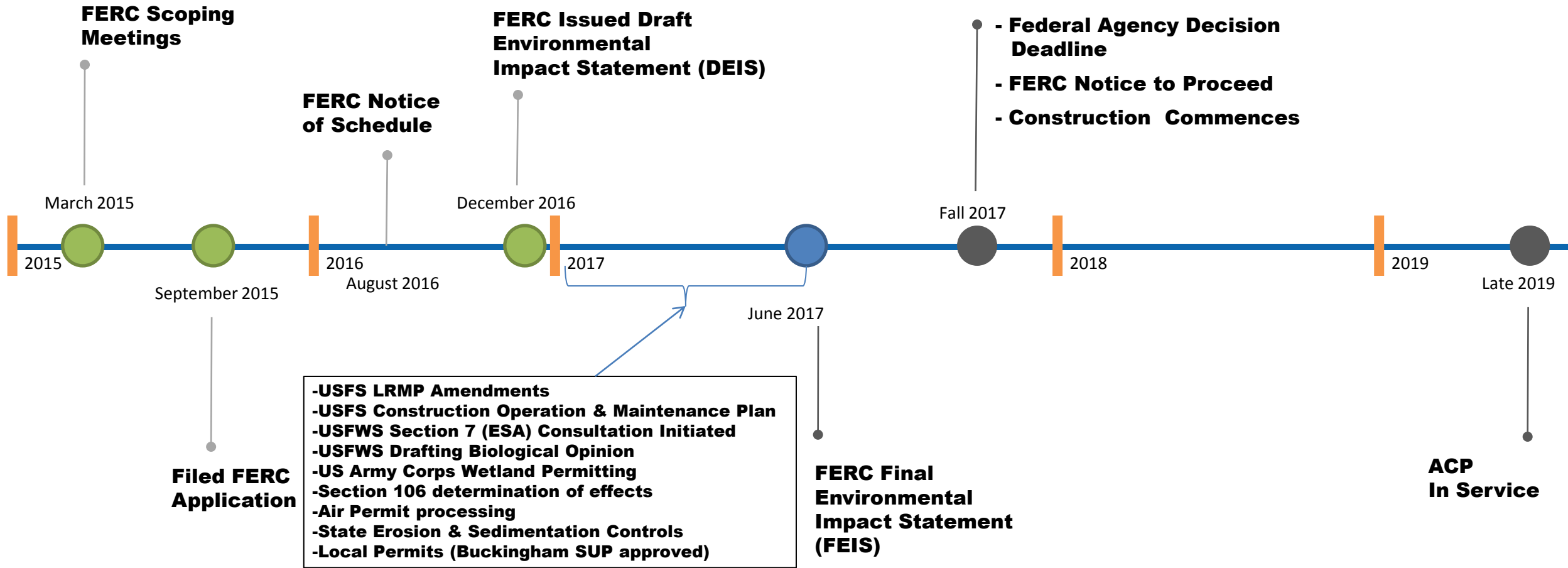
## End Uses

- Electric Generation
- Residential
- Commercial
- Industrial
- Not Committed

**Capacity 1.5 bcf/d**  
**>90% Subscribed**

Virginia Power	20%
Virginia Natural Gas	5%
Piedmont Natural Gas	11%
Public Service North Carolina	7%
Duke Energy	48%

# Project Expected Timeline



# VOF's Conversion/Diversion Process - Established in Virginia Code § 10.1-1704

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VOF has authority to approve the applications because ACP is:

- (a) essential to the orderly development and growth of the locality;
- (b) in accordance with the official comprehensive plan for the locality in effect at the time of conversion or diversion; and
- (c) there is substituted other real property, which is:
  - i. of at least equal fair market value,
  - ii. of greater value as permanent open-space land than the land converted or diverted, and
  - iii. of as nearly as feasible equivalent usefulness and location for use as permanent open-space land as is the land converted or diverted.



# Essential:

## “Essential to the Orderly Development and Growth” of the Localities

### Property Tax Benefits

	<b>2019 Construction example</b>	<b>2025 Operations example</b>	<b>Total (2019-2025)</b>
Augusta	\$425,469	\$1,982,345	<b>\$12,157,901</b>
Bath	\$144,581	\$673,634	<b>\$4,131,461</b>
Highland	\$58,147	\$270,916	<b>\$1,661,555</b>
Nelson	\$269,817	\$1,257,135	<b>\$7,710,121</b>
<b>Total</b>	<b>\$898,014</b>	<b>\$4,184,030</b>	<b>\$25,661,038</b>

### Reduced Energy Costs

### Employment/Vendor Opportunities



- 50% of craft and trade workers hired through local unions
- Subcontracting, supplier and vendor opportunities
- Community services

### Orderly Growth

# Essential: Economic Benefits for Virginia\*

Pipeline Construction

**\$1.4 billion**

Total economic activity

**8,800**

Jobs supported \*\*

**\$2.4 million**

Average annual tax revenue

Pipeline Operation

**\$37.8 million**

Total annual economic activity

**1,300**

Jobs supported \*\*

**\$10.4 million**

Average annual tax revenue

**\$2.5 billion**

In capital expenditures

**\$243 million**

Average annual energy cost savings

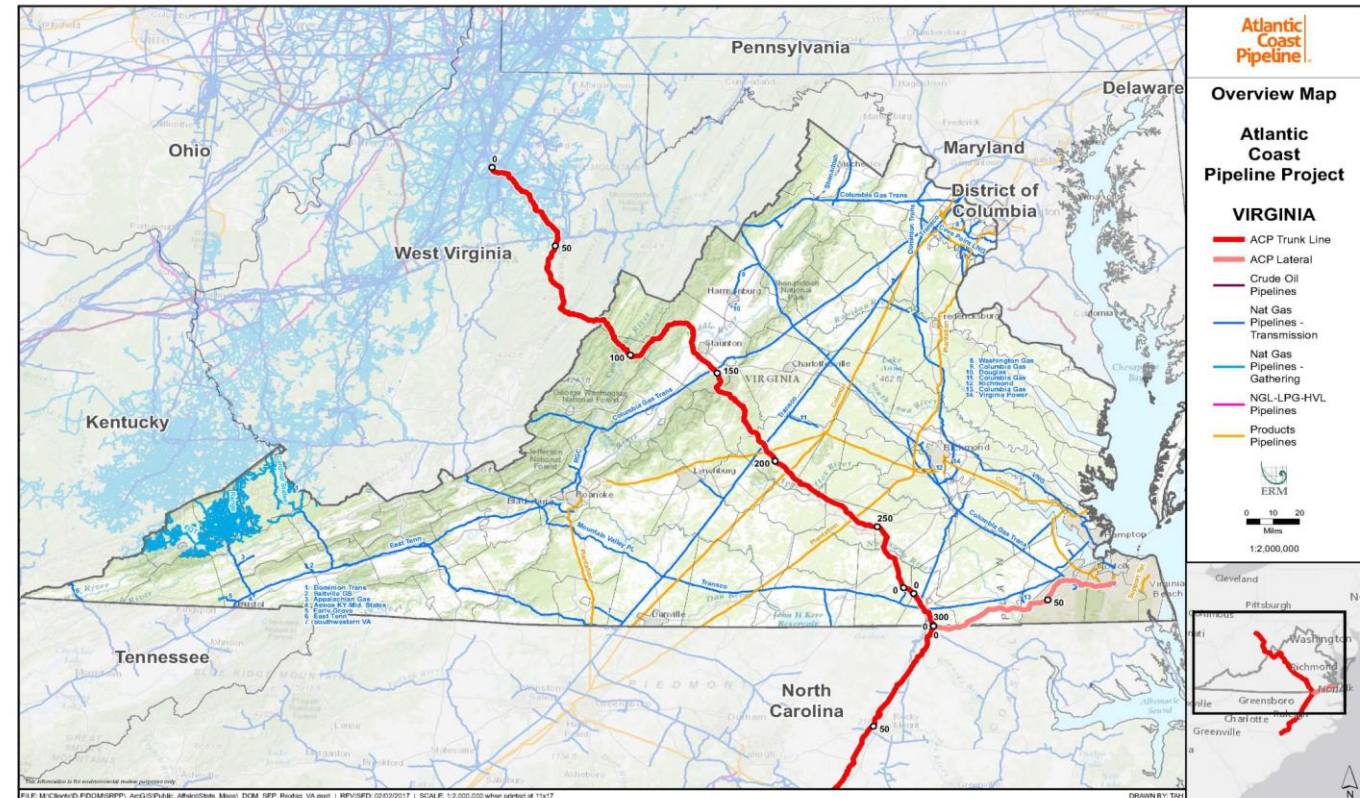
\*Analysis provided by ICF International, Chmura Economics & Analytics, and Dominion Resources. These estimates are subject to change because of route variations and other adjustments.

\*\* A job is considered a person working full time for one year

# Local Planning:

## “In Accordance with Local Comprehensive Plans”

- No prohibition or direct conflict
- Extensive planning to address locality concerns including reroutes
- Consistent with specific plan provisions in each locality:
  - Supports orderly infrastructure and related economic development
  - Mitigation of environmental impacts, including those associated with karst, water resources, steep slopes, etc.
- VOF determines consistency



# Local Planning: Proactive Environmental Management

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- *Upland Erosion Control, Revegetation, and Maintenance Plan (E&S)*
- *Wetland and Waterbody Construction and Mitigation Procedures*
- *Karst Terrain Assessment, Construction Monitoring, and Mitigation Plan*
- *Geohazard Analysis Program*
- *Restoration and Rehabilitation Plan*
- *Timber Removal Plan*
- *Contaminated Media Plan*
- *Spill Prevention, Control, and Countermeasures (SPCC) Plans*
- *Invasive Plant Species Management Plan*
- *Migratory Bird Plan*
- *Virginia Fish Relocation Plan*
- *Traffic and Transportation Plan*

# Local Planning: Best in Class (BIC)

- Dominion has committed to using best-in-class standards throughout construction and operation. This includes the use of efficient design techniques that go above and beyond regulatory requirements to minimize environmental impacts while providing safe and reliable construction and operations.



## Pollinator Habitat and Right-of-Way Restoration

- Pilot initiative to re-seed rights-of way with native grasses and flowers to attract native pollinator species.
- In cooperation with experts from state and federal resource agencies to determine the best locations for establishing pollinator habitats in rights-of-way.



## Steep Slope Sediment and Erosion Control

- Slopes that are  $> 30\%$
- Above and beyond State regulatory standards to proactively mitigate for potential erosion and sediment discharges along the right-of-way that can potentially impact environmental resources.



## Methane Emissions Reductions

- Fugitive emissions reduction initiative includes equipment and procedures that significantly reduce the amount of methane released into the atmosphere.
- Vent gas recovery compressor, selective catalytic reduction system, and oxidation catalyst

# Local Planning: Restoration and Rehabilitation



Greater than 50' Forested ROW



Stream Crossing



Non-Forested ROW

[ROW Video](#)

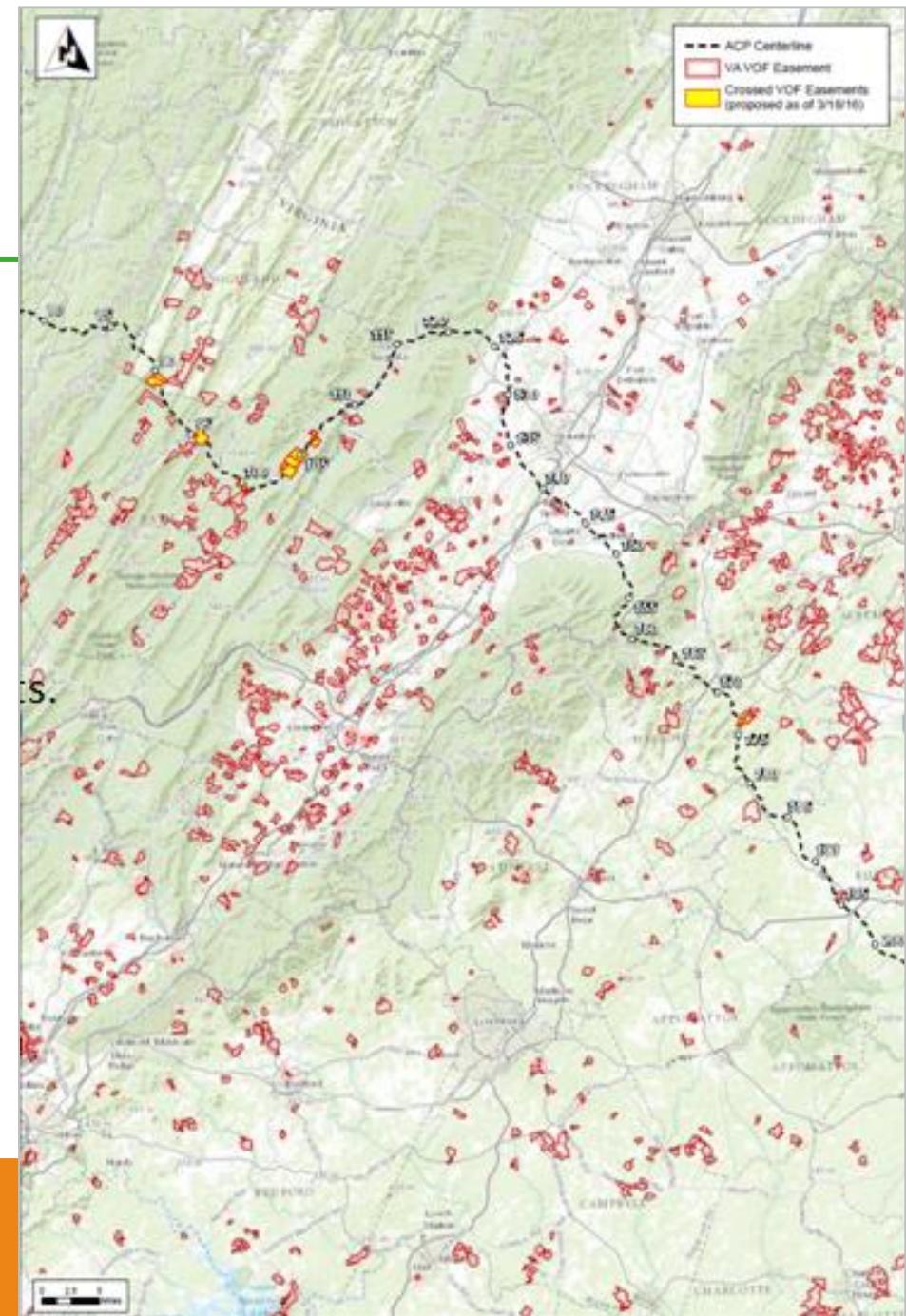
# 1704 Applications

## Reduction of Permanent Impacts

Easement Name	County	Previously Proposed Permanent Impacts (acres) 75-foot-width Right-of-Way	Currently Proposed Permanent Impacts (acres) 50-foot-width Right-of-Way	Currently Proposed Percentage of Easement Impacted
Teague	Highland	9.0	6.07	0.8%
Normandy	Bath	16.4	13.01	1.6%
Rice	Bath	9.2	6.48	2.1%
Chandler	Bath	1.2	0.80	1.4%
Revercomb	Bath	11.4	8.72	1.2%
Koontz	Bath	6.2	4.13	1.5%
Wilderness	Bath	11.4	8.27	1.1%
Bright	Bath	2.4	2.30	0.7%
Berry	Bath	3.26	1.02	0.9%
	Augusta	0.81	0.5	0.4%
Saunders	Nelson	4.3	3.28	0.9%
<b>Total</b>		<b>73.88</b>	<b>54.59</b>	<b>1.2%</b>

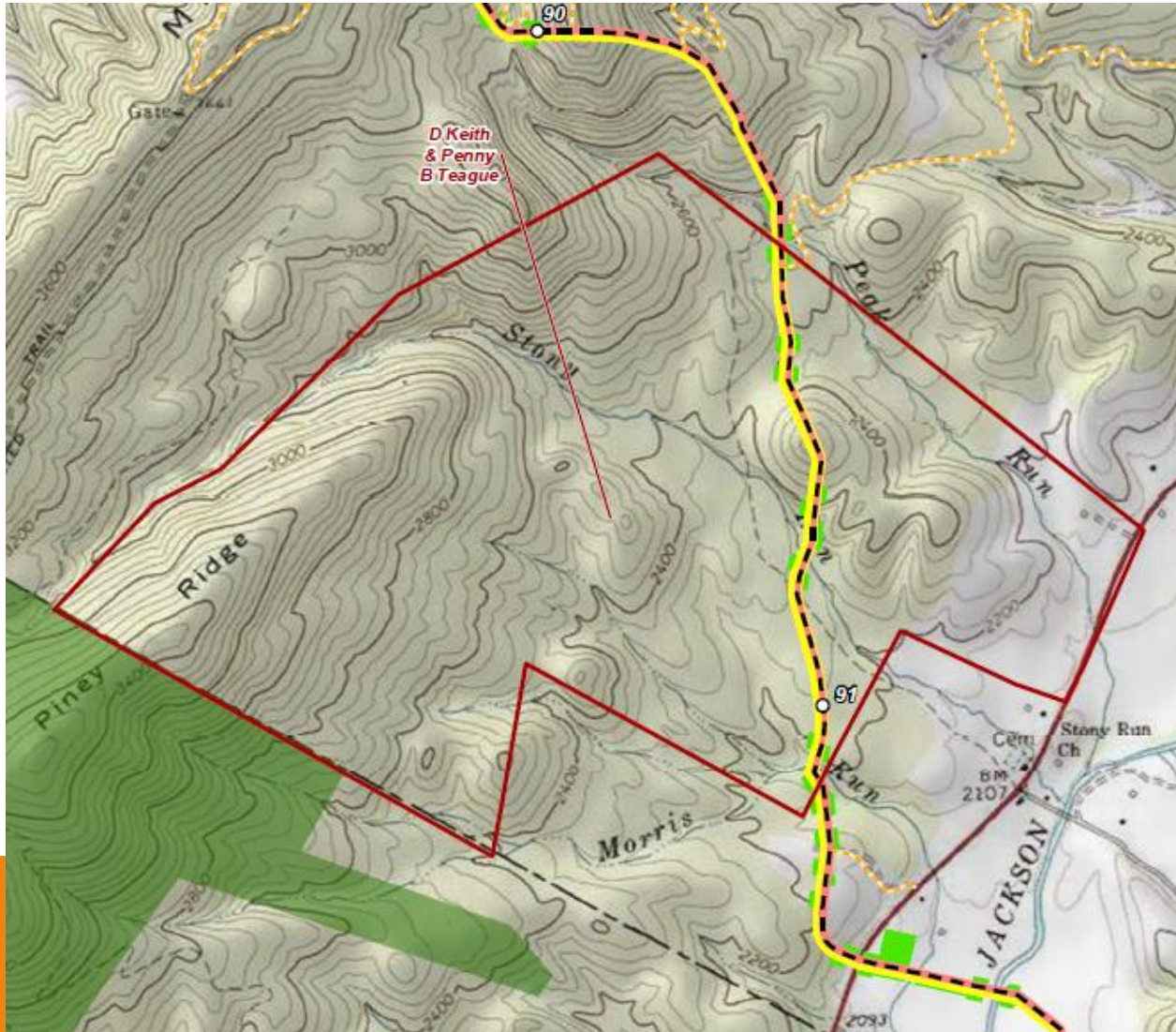
# Extensive Alternatives Analysis

- Conducted extensive alternative analysis to avoid impacts to VOF easements.
- Through the rerouting process, ACP has successfully avoided 25 easements and is working to minimize impacts to those proposed for crossing.
- Avoids U.S. Forest Service critical habitat areas, while meeting project customers' delivery points.

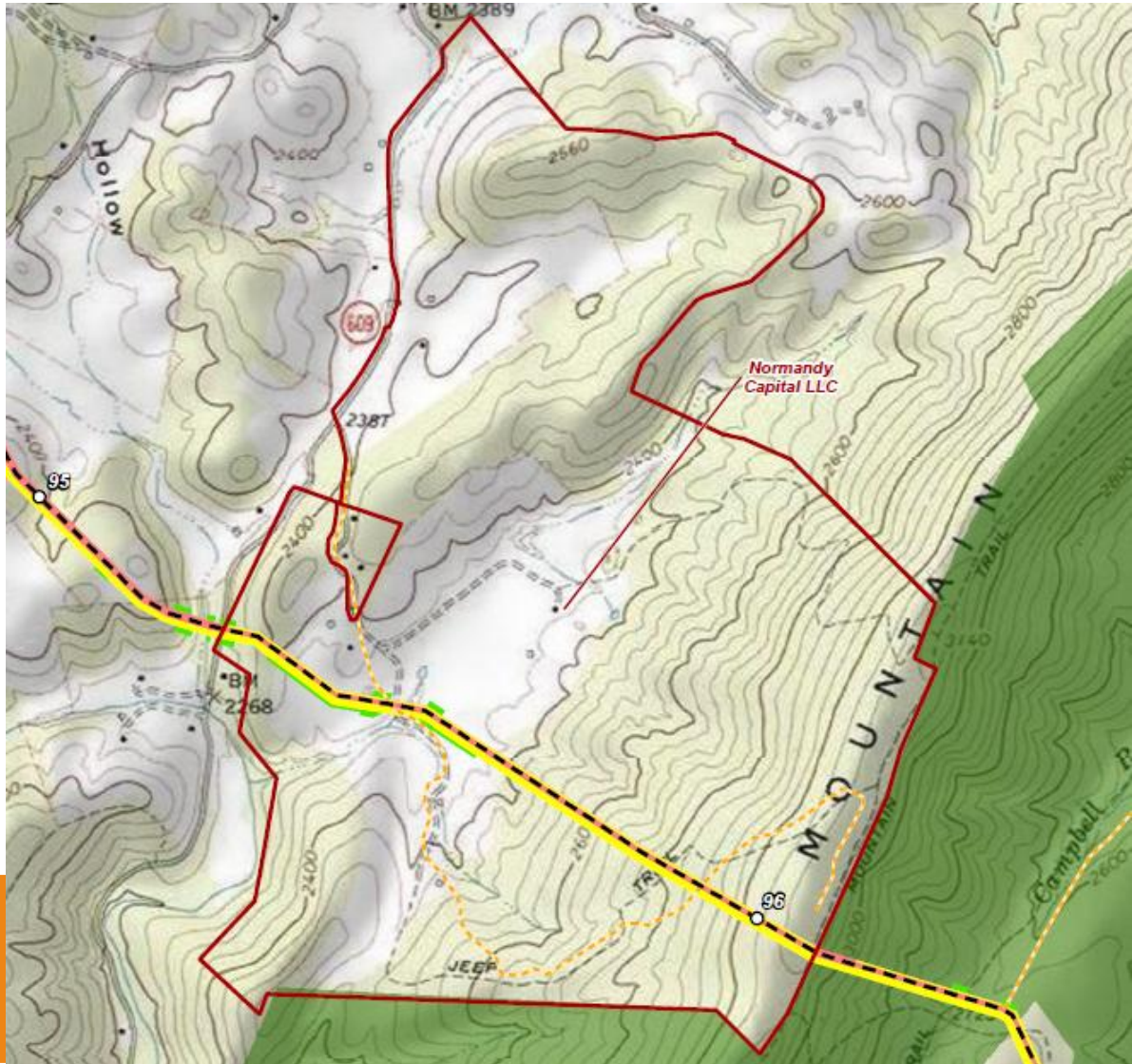




# Teague Easement – Highland County



# Normandy Easement – Bath County



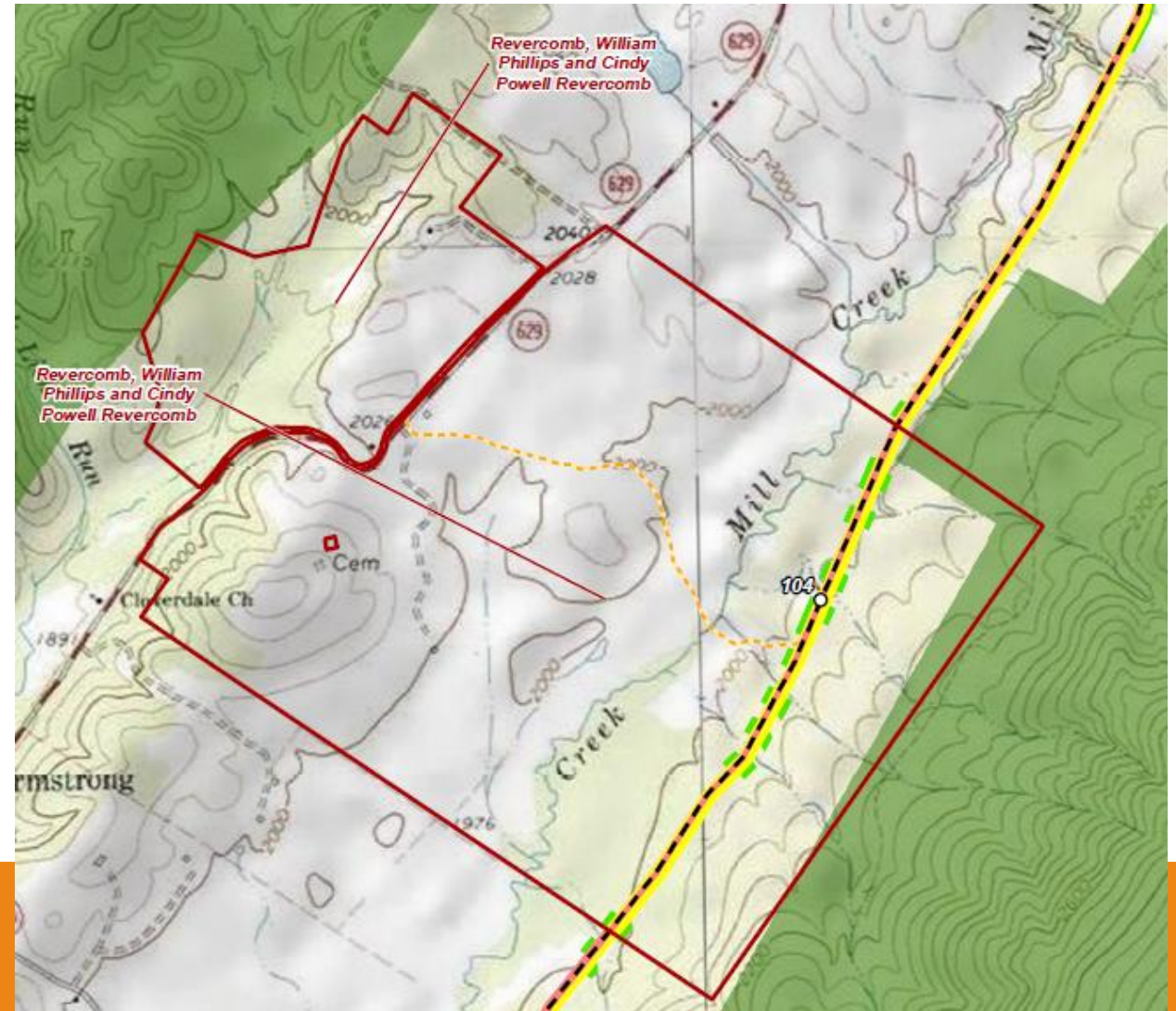
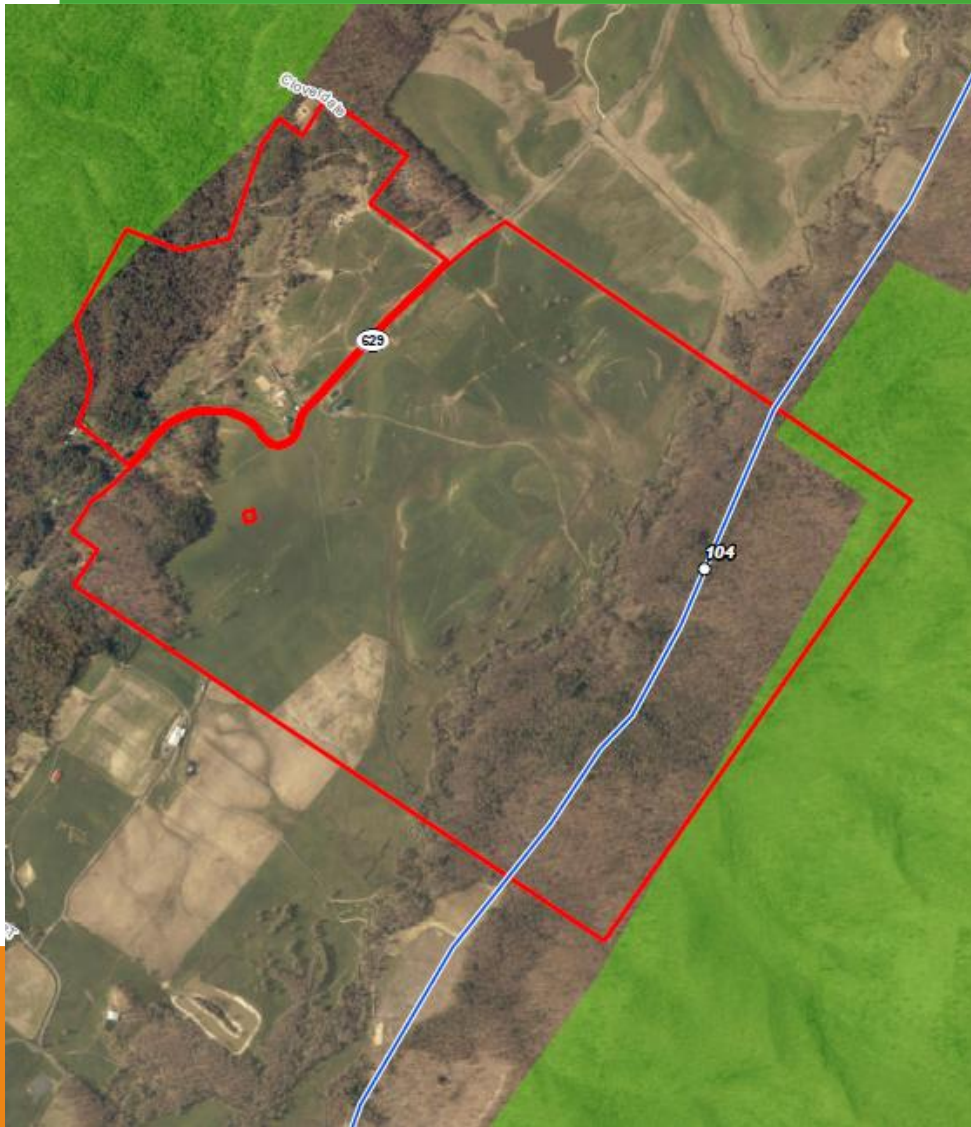
# Rice Easement – Bath County



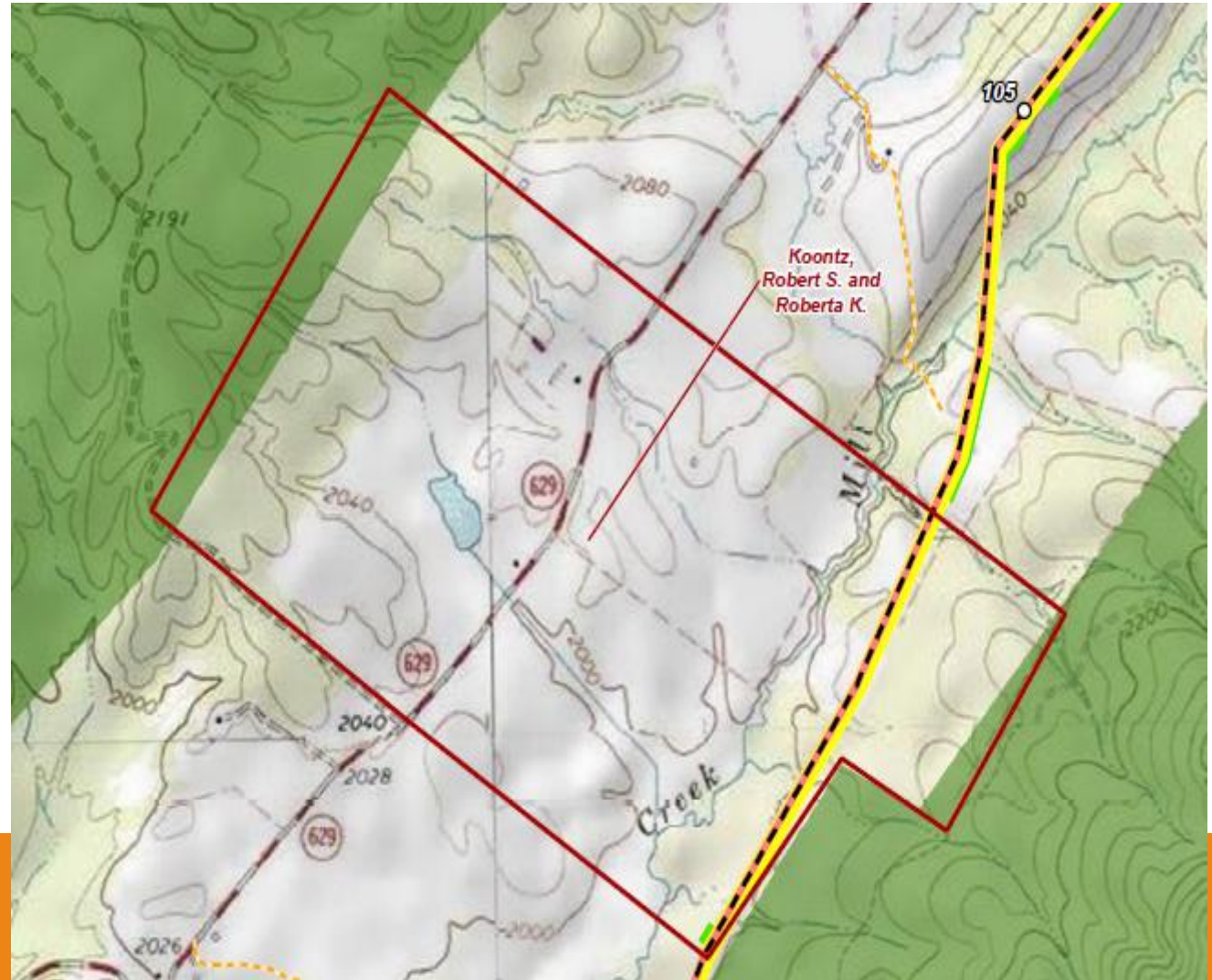
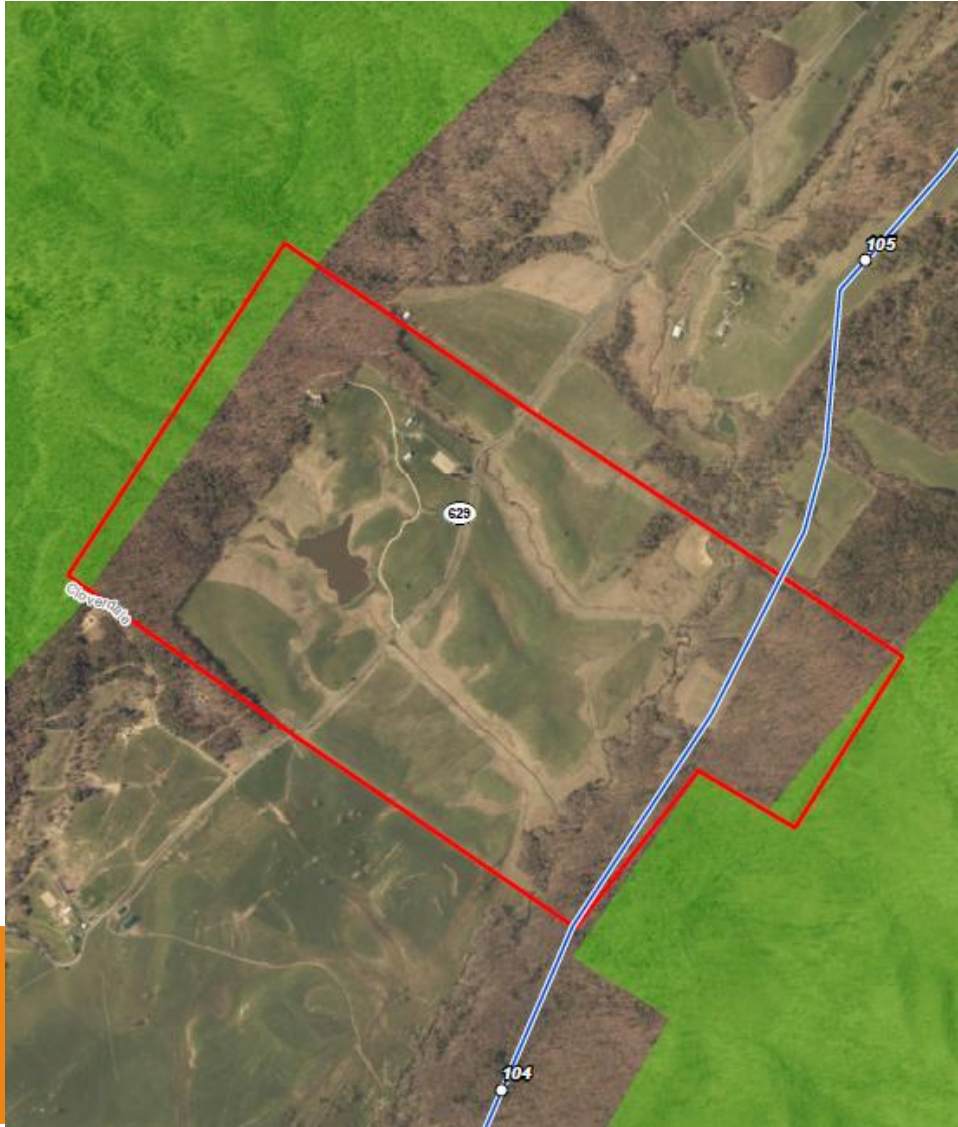
# Chandler Easement – Bath County



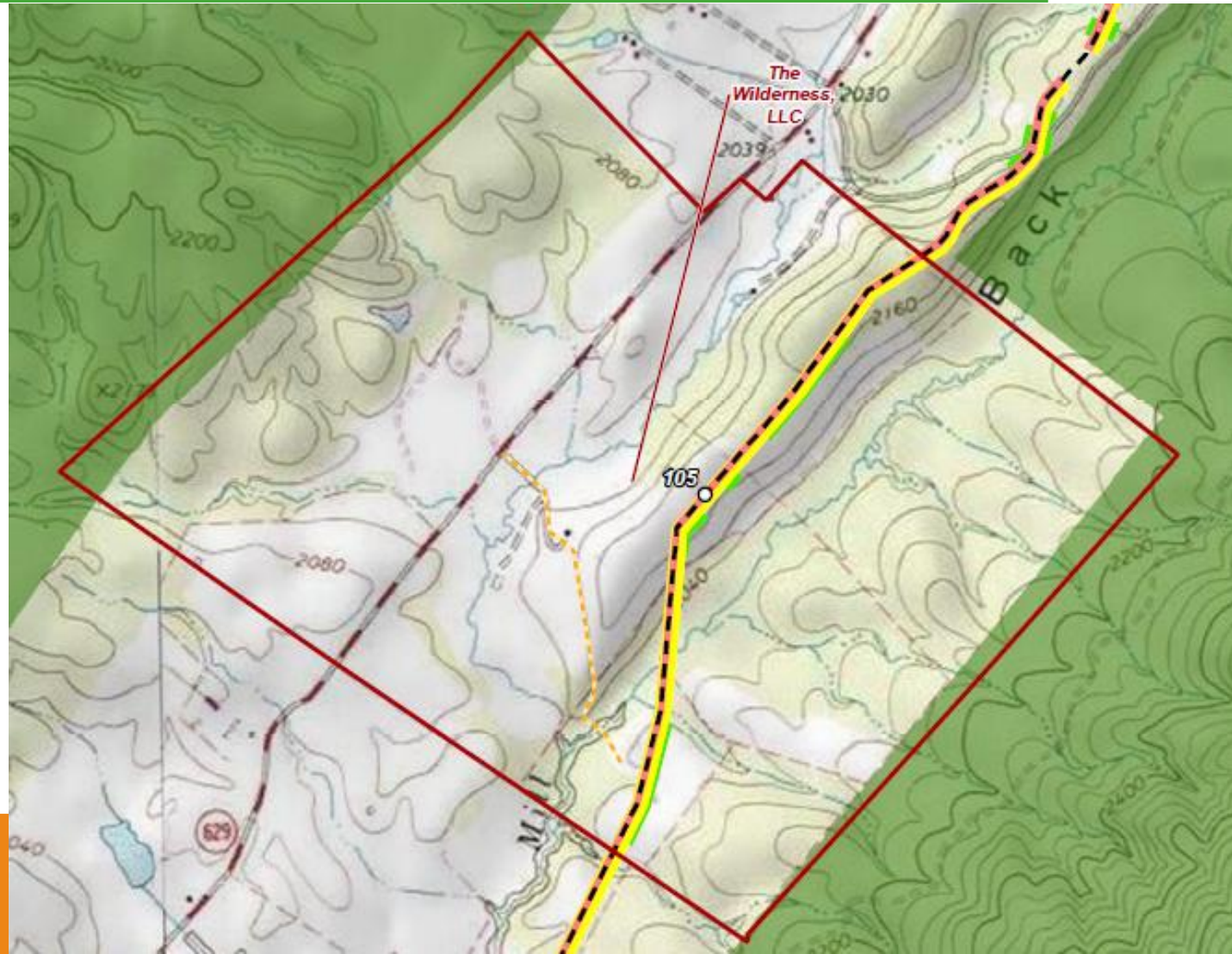
# Revercomb Easement – Bath County



# Koontz Easement – Bath County



# Wilderness Easement – Bath County

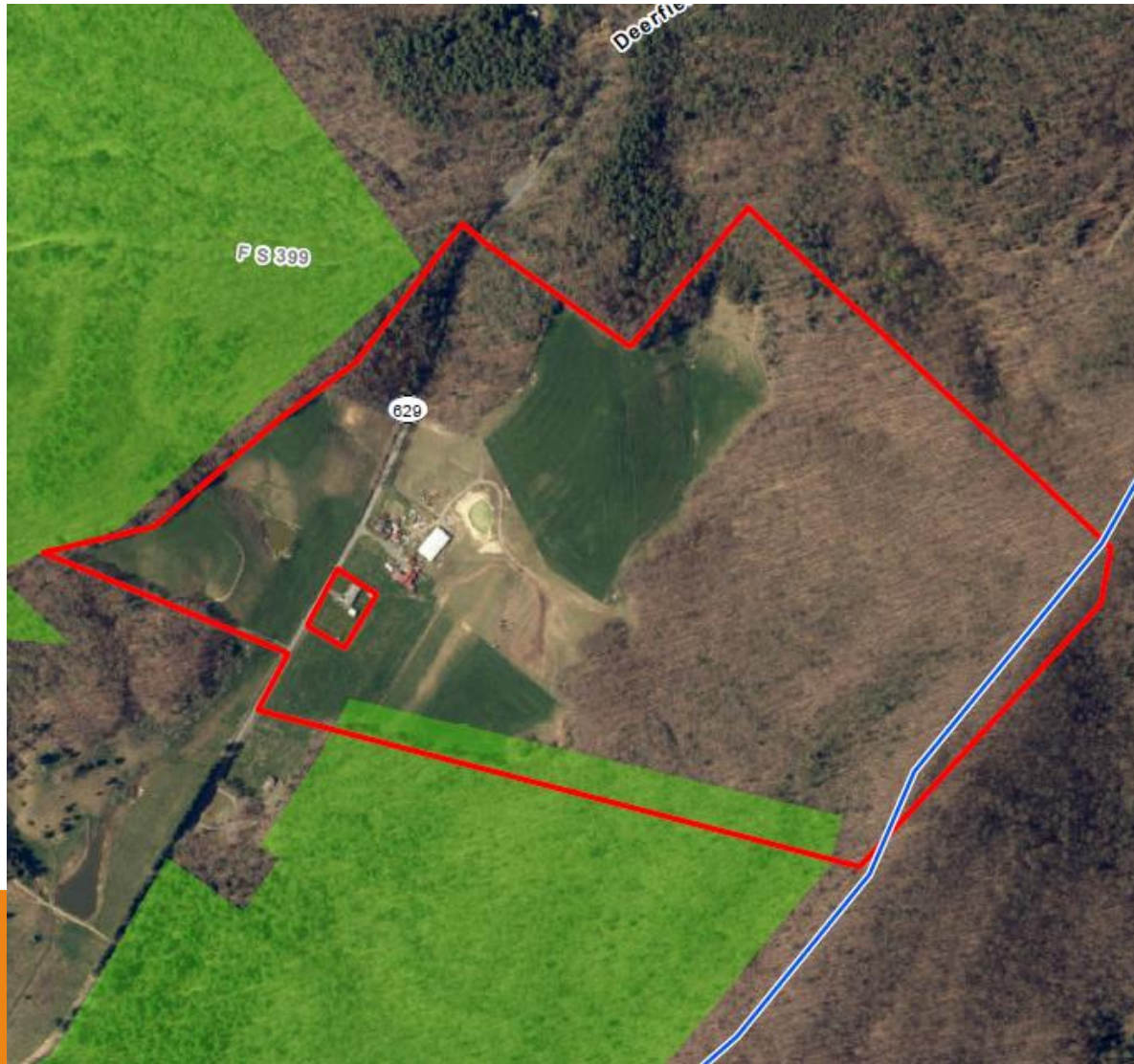


# Bright Easement – Bath County

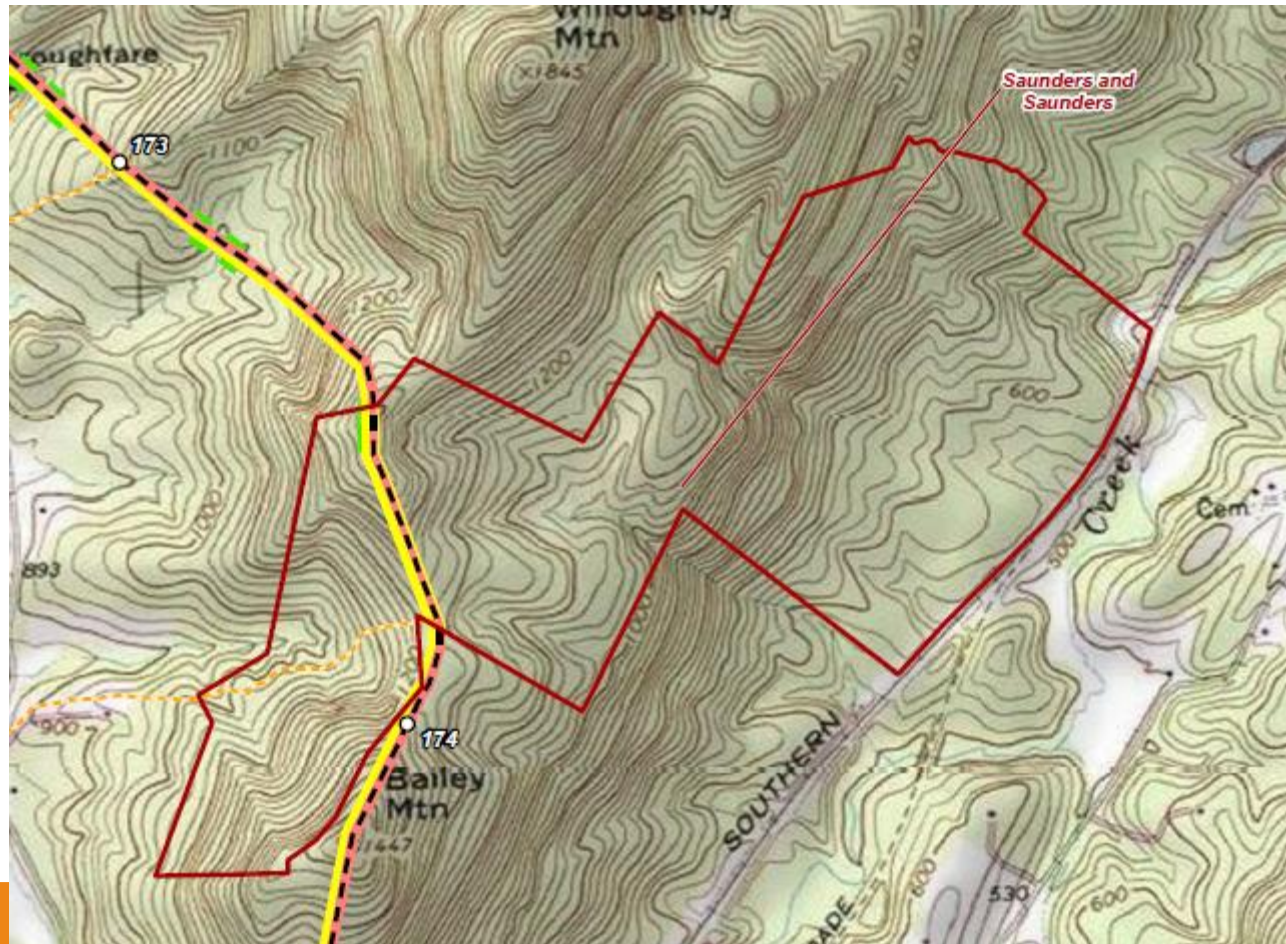




# Berry Easement – Augusta & Bath



# Saunders Easement – Nelson County



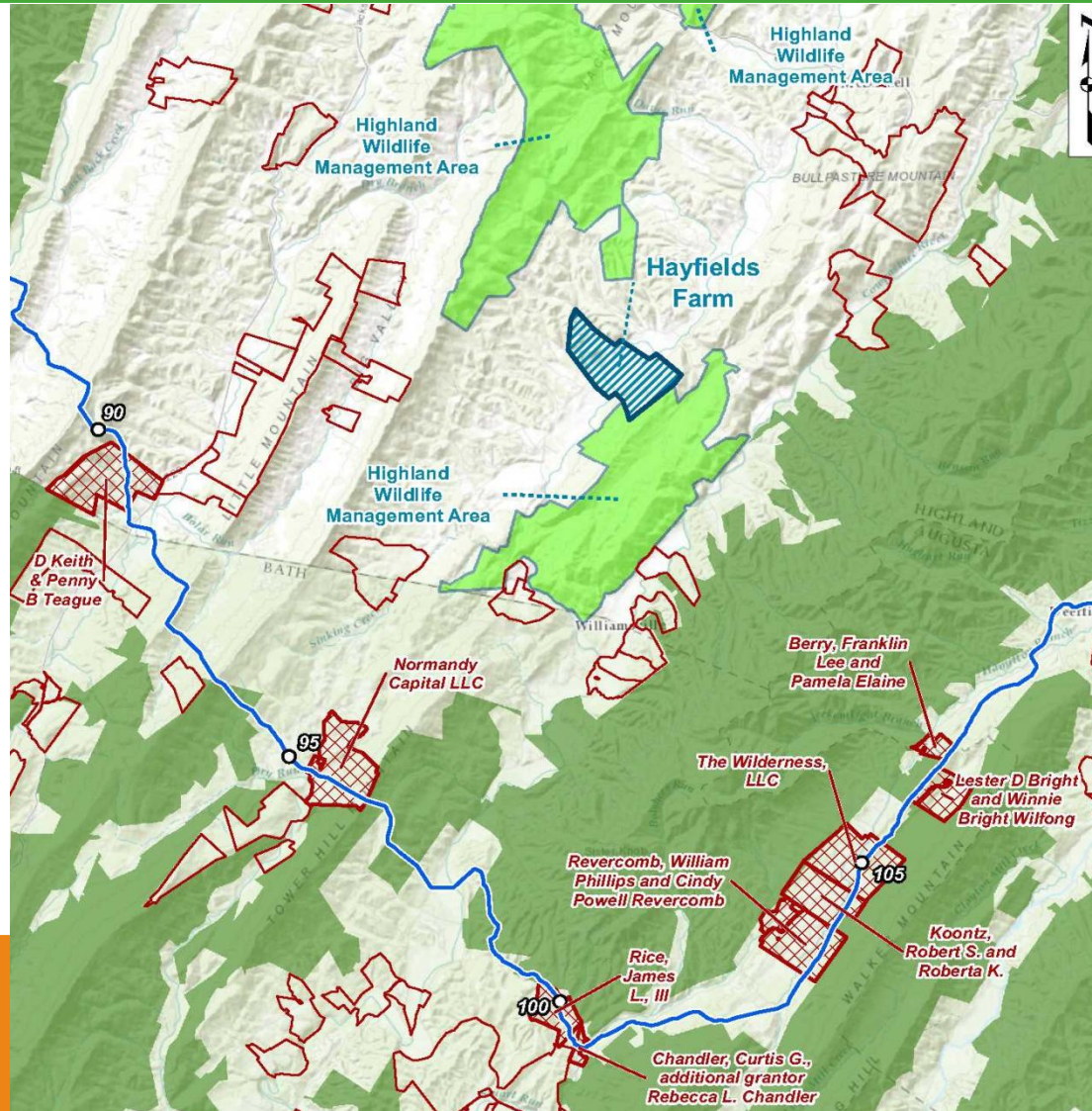
# VOF Replacement Lands

## Hayfields Farm and Rockfish River

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- ✓ Higher fair market value;
- ✓ High value as permanent open-space land than the land converted or diverted; and
- ✓ Equivalent usefulness and location for use as permanent open-space land.

# VOF Replacement Land – Hayfields Farm Parcel



# VOF Replacement Land – Hayfields Farm Parcel

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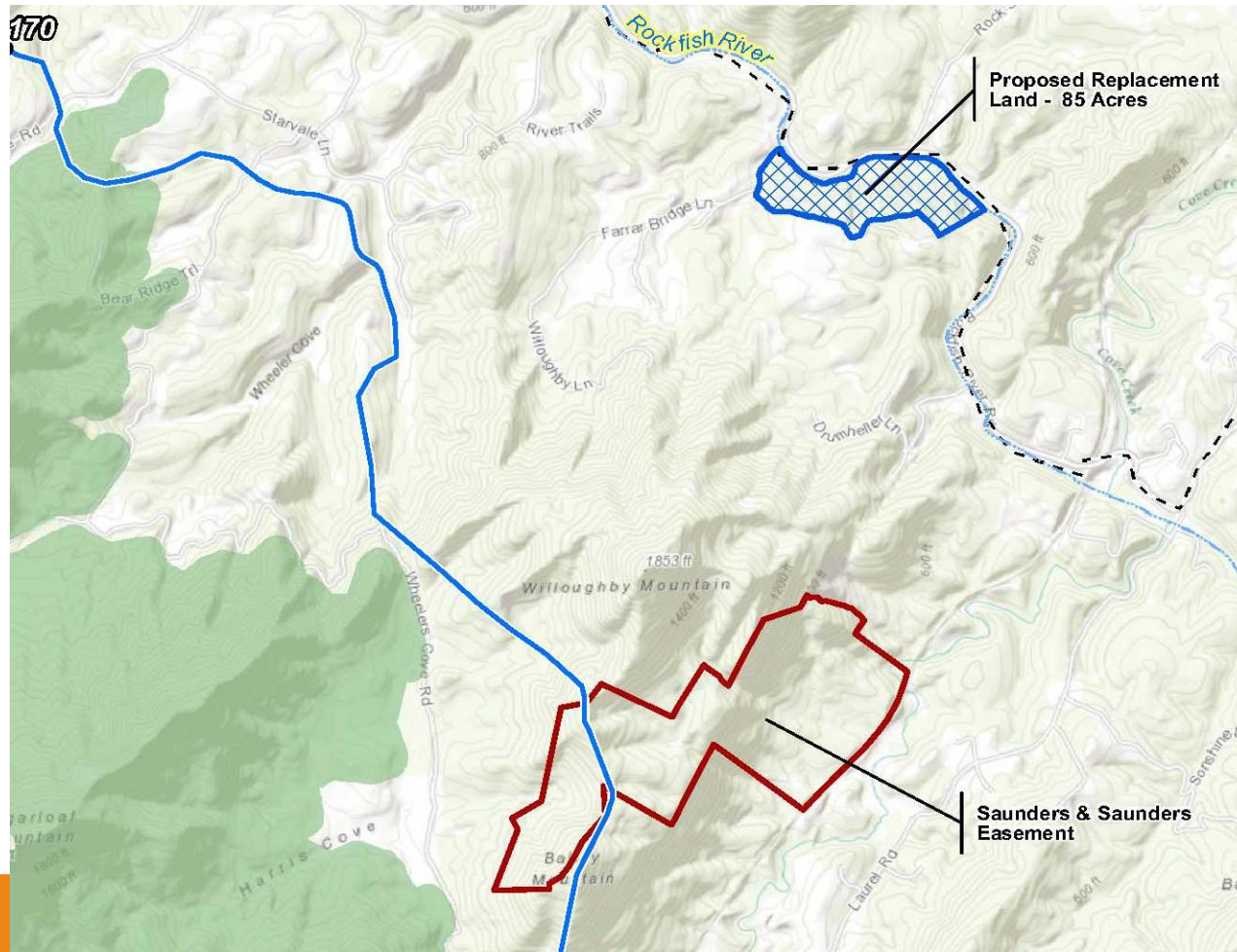


# VOF Replacement Land – Hayfields Farm Parcel

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# VOF Replacement Land – Rockfish River Parcel



# VOF Replacement Land – Rockfish River Parcel

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# VOF Replacement Land – Rockfish River Parcel

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# Conclusion

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- “Essential” to the localities
- “In accordance with” local plans
- Appropriate replacement lands
- Extensive past, on-going and future efforts to preserve conservation values
- Questions?