

Wild Virginia, Dominion Cove Point LNG Export Facility and How Lusby, MD Became a Company Town

--Ernie Reed, Wild Virginia President
June 1, 2015

On Friday afternoon, May 29, I pull off onto the side of the road to take a picture of the sign at the entrance to Dominion's Cove Point Liquid Natural Gas (LNG) Terminal in Lusby, Maryland. Here Dominion's plan is to receive fracked gas from as far away as New York and West Virginia. Here, on the shores of the Chesapeake Bay in Calvert County, with the aid of a large new power plant, the gas would be liquefied to 260 degrees below zero. The liquefaction process itself would combust so much gas and use so much propane that it could generate more global warming pollution than four of Maryland's biggest coal fired power plants. The gas would then be poured onto massive vessels headed out through the Chesapeake Bay and shipped to India and Japan to be re-vaporized and piped again to be finally burned for energy.

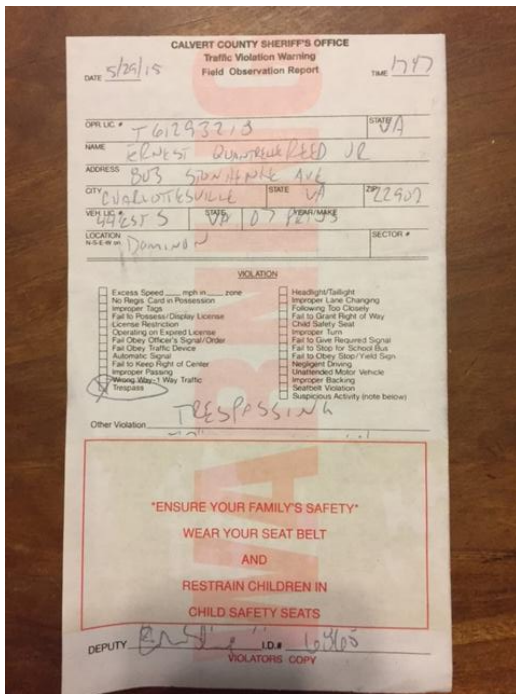
U.S. Department of Energy has given approval to seven gas export facilities in Oregon, Texas, Louisiana, and at Cove Point. More than a dozen others have been proposed by the gas industry. According to the Chesapeake Climate Action Network, if all of them were built, it would create the greenhouse gas equivalent of adding 100 coal-fired power plants to existing U.S. emissions.



So why am I here? I wanted to take a picture of the plant because Wild Virginia is part of a coalition of environmental groups and individuals suing FERC to stop Cove Point from becoming operational. I'm also in town to participate in a 6-mile march voicing the health, safety and environmental concerns about this massive LNG export project and to learn more.

In May last year, the Federal Energy Regulatory Commission issued an Environmental Assessment (EA) for the project. The EA made no mention of the increased supply of natural gas that would be made available for export at Cove Point from the proposed Dominion Atlantic Coast Pipeline, which had been recently proposed to cross almost 13 miles of the George Washington National Forest. In response, Wild Virginia became an "intervener" in the FERC Process and challenged the validity of the EA based on this flagrant omission. Despite this, FERC approved Dominion's application on September 29, 2014. Wild Virginia then filed a Petition

for Rehearing with FERC, which was denied. Now Wild Virginia is part of a lawsuit, led by attorneys at Earthjustice to stop construction that has been going on now for 8 months, and to overturn the approval of Dominion’s application.



Within 30 seconds of stopping my car, I am faced by a sheriff’s department patrol car in full-lit glory and an officer who barks at me, “Get in your car!” He informs me I am on private property, although I am at least 20’ from any posted sign to that effect. I am told and that if I ever again bring either myself or my car on to this property that my car will be impounded and that I will be arrested. The man is not friendly.

What I learned the next day was even more telling and important for anyone whether or not she or he feels oppressed by Dominion’s antics--whether regarding pipeline, compressor station or export terminal--in Maryland or in Virginia.

I learned that Calvert County’s Board of County Commissioners (BOCC) had signed a “nondisclosure agreement” with Dominion that kept the public unaware of negotiations, deals, proposed zoning changes, tax credits and leases of county lands that were being made with Dominion over the course of 3 years! The agreement not only prevented the commissioners from speaking in public about specifics but also prevented the public from gaining access to information through freedom of information tools. The agreement also stated that the BOCC was instructed to deny requests from regulators and the courts for information about the project and to notify Dominion immediately if such requests were made.

I learned that Dominion has been exempted from paying over \$500 million in property taxes to Calvert County. It is also exempt from paying any federal income taxes because of its organizing Cove point as a “master limited partnership”. (Note that Atlantic Coast Pipeline LLC is also a master limited partnership.)

I learned that Dominion has paid tens of thousands of dollars to Maryland Senate and House leaders and PACs that support them. (Sound familiar?) I learned that Dominion has given grants totaling \$22,000 to Calvert County public schools, \$27,500 to the College of Southern Maryland and \$50,000 to Morgan State University in nearby St. Leonard. And, Dominion has given \$500,000 to civic groups in Calvert County since 2002.

I learned that Dominion owns the sheriff, fire and police departments in Calvert County. In fiscal year 2014, Dominion reported giving \$1.2 million to the Calvert

sheriff's department. Dominion also covers the costs of personnel, training, certification and re-certification, including travel, capital expenses such as equipment, and any costs that are incurred while providing security or emergency services to Dominion.

I learned that Lusby, MD is a company town.

What else do we know? The terminal at Cove Point will release more than two million tons of greenhouse gases (GHGs) per year. This doesn't take into account the GHGs that will be emitted by associated compressor stations, from fracking, from pipeline leaks and from the burning of gas that is transported overseas. The Atlantic Coast Pipeline, the Mountain Valley Pipeline and the Appalachian Connector will provide huge volumes and storage capacity for natural gas headed for export.

If we are successful in our lawsuit, construction on the Dominion Cove Point Terminal can be stopped. If Cove Point goes away, so will the Atlantic Coast Pipeline, so will the Mountain Valley Pipeline, and the George Washington and Jefferson National Forests will, for the meantime, be spared. It is as simple as that.

As Kevin Zeese, one of the attorneys involved in the lawsuit said at the rally that I attended with hundreds of others at Cove Point on May 30th, "The only way we will lose is if we give up. And we will never give up!"

For more information on the opposition to the Dominion Cove Point LNG Export Facility, see <http://www.wearecovepoint.org/>



