

SCC rejects Pipeline request



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In a ruling issued in December 2021, The Virginia State Corporation Commission (SCC) denied a request by Chickahominy Pipeline LLC (CPLLC) to construct an 85-mile natural gas pipeline without agency regulation or approval.

The proposed project would provide a supply of natural gas for a proposed power plant in Charles City and would extend through five Central Virginia counties including Hanover, but the SCC ruling places the future of the project in question.

Beth Minear, a spokesperson for CPLLC, said earlier this month that a negative SCC ruling would not force the company to “abandon” the project and the developer would seek other options regarding the project.

Company officials maintained in several SCC filings that the project did not require SCC approval since the gas was targeted for wholesale use. In other words, the transported gas would be processed in Charles City and distributed to power providers in the region but not sold directly to customers.

The latest ruling enforces the SCC’s earlier position that Chickahominy Pipeline LLC is a public utility and subject to agency regulation and approval.

The rejection bolstered the objections of a number of citizens who have expressed concerns regarding the proposed project. They formed a group called Citizens Against the Chickahominy Pipeline.

After a number of citizens contacted local officials regarding the project, Hanover officials attempted to contact the developer for more information, but cited a continuing lack of communication between the county and company officials.

In a Zoom session held earlier this month, pipeline officials said the lack of outreach was a mistake, and admitted some residents were hesitant to allow inspection of their property for the project.

“The company wanted to get a feel for constructability and the routes first to see if it’s even feasible before we started the outreach,” Minear said.

She conceded the outreach surrounding the project left much to be desired. “It was a mistake. We should have done outreach first before an ask ... We have not done a great job with outreach and we’re making up for it and hope to gain your support.”

The proposed pipeline would access supply from an existing pipeline in Louisa County and transport it to the Charles City facility, as yet unbuilt but SCC approved power plant.

Landowners were contacted last summer in Louisa, Hanover, Henrico, New Kent and Charles City counties seeking permission to survey land that might be included in the final route.

Pipeline company officials provided the following statement following the Dec. 22 ruling:

“Chickahominy Pipeline has received the ruling from the State Corporation Commission (SCC), which adopted the opinion of its Hearing Examiner. As previously stated, Chickahominy Pipeline disagrees with the opinion that it should be considered a ‘public utility’ due to its ‘sale’ of natural gas.”

It continues:

“Chickahominy Pipeline is reviewing the SCC ruling and is weighing its options on how to proceed. As noted, after receiving the opinion of the Hearing Examiner in November, the requirement of full SCC regulation of the pipeline will not cause Chickahominy Pipeline to abandon the proposed project – it may appeal, file an application for a certificate, or consider other options. Chickahominy Pipeline still plans to pursue this project. The power generation station the Chickahominy Pipeline intends to serve is already permitted and shovel-ready. Weather-independent energy generation is a real need for this area to sustain Virginia’s population growth and business growth in the tech industry.”

Several environmental groups issued press releases in support of the SCC decision.

“The Chickahominy Pipeline would be a backwards-looking investment in so-called ‘natural’ gas at a time when Virginia has committed to a clean, zero-carbon energy grid,” said Southern Environmental Law Center (SELC) Senior Attorney Greg Buppert. “The Commission’s full oversight of this climate-warming project is necessary to protect the public interest.”

Hanover County Administrator John Budesky said the county was still weighing the full impact of the ruling.

“We are still working to understand the full implications of this ruling on the project. I have heard that the applicant may still seek to move the project forward in some capacity,” Budesky said.

An invitation has been extended so company officials can address citizen concerns and fully explain the path forward.

“We don’t fully know their plans and have invited them to our board meeting on Jan. 12 at 6 p.m. to present to the board of supervisor,” he said. “I do believe requiring them to be regulated may provide additional protections for our residents. To date I have not met with a citizen that has been supportive of the project.”