



Atlantic Coast Pipeline Project



Joint Legislative Commission on Energy Policy – March 6, 2018
Sheila Holman, DEQ's Assistant Secretary for the Environment



Topics

- Public Engagement
- 401 Certification
- Mitigation Order
- Erosion and Sedimentation Control Plans
- Stormwater Permits
- Compressor Station Air Quality Permit
- Pending Permits



ACP – Public Engagement

Events

- Initial Stakeholder Meeting - March 2017
- Three Public Hearings – 401 Certification
- Three Public Listening Sessions
- Environmental Justice Forum
- Public Hearing for Draft Air Quality Permit for Compressor Station

Media Efforts

- DEQ issued multiple press releases and media advisories March–November 2017 to promote public comment periods, hearings and meetings throughout the eight affected counties.

ACP – Public Engagement

Outreach Materials

- Website dedicated to ACP information
- Online repository for public access to ACP documents
- Educational handouts for public meetings
- Community flyers to promote public hearings
- Regular email updates to interested parties
listserv

Section 401 – Federal Clean Water Act

- A 401 Water Quality Certification (WQC) is required for any federally permitted or licensed activity that may result in a discharge to waters of the U.S.
- When the state issues a 401 WQC, we are certifying that the permit for a given project:
 - Will not degrade waters of the state
 - Will not violate state water quality standards

401 Review

(1) Avoid

- Has no practical alternative

(2) Minimize

- Will minimize adverse impacts to the surface waters

(3) Mitigate

- Provides for replacement of existing uses through mitigation

• Degradation

- Does not result in the degradation of groundwater or surface waters

• Cumulative Impacts

- Does not result in cumulative impacts that cause or will cause a violation of downstream water quality standards

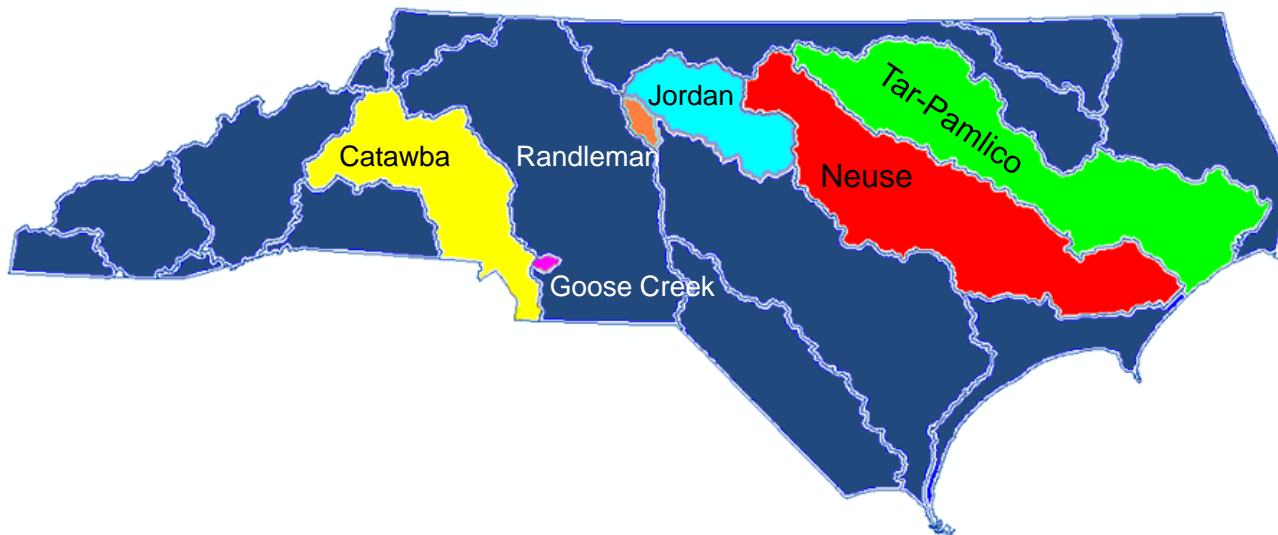
Options to Meet Mitigation

Pursuant to G.S. 143-214.11 and 143-214.20

1. Purchase credits from a (private) compensatory mitigation bank
2. Payment to the in lieu fee program (DMS)
(This option is only available when option 1 is not available)
3. Donation of real property or of an interest in real property to DEQ
4. Permittee-responsible mitigation

Riparian Buffer Protection Programs

- Part of comprehensive nutrient management strategies for each basin/watershed
- 50-foot buffer along waterbodies
- For new uses, there is a Table designating activities as “exempt”, “allowable” or “allowable with mitigation”



Buffer Authorization

- For activities designated as “allowable” or “allowable with mitigation”
- Aka “No Practical Alternatives” Determination
 - Basic project purpose cannot be practically accomplished
 - Use cannot practically be reduced in size or density, reconfigured or redesigned
 - Best management practices shall be used if necessary to minimize disturbance
 - Mitigation is provided for impacts

Permit/Certification Types

- U.S. Army Corps of Engineers has two permit types:
 - General (Nationwide or Regional) Permit
 - Individual (Standard) Permit
- DWR has corresponding Certifications:
 - General Certifications
 - Individual Certifications

Atlantic Coast Pipeline (ACP)

- Corps used NW 12 (Utility Line Activities)
 - DWR Director determined it was “*in the public’s best interest*” to require an application for an Individual Certification
 - Public comment period
 - Public hearings
- Buffer impacts are “allowable with mitigation” → processed under a Buffer Authorization request

Other States

- **West Virginia**

- Processed Individual 401 Certification application
- Public Hearings on July 31 & August 1, 2017
- December 6, 2017 – waived 401 Certification
 - Required a state pipeline construction stormwater permit (issued January 26, 2018)

- **Virginia**

- Processed Individual Certification for impacts to upland areas
- Public Hearings on August 7, 10 & 14, 2017
- Certification issued December 20, 2017

ACP – 401 Public Input

Date	Action
March 23, 2017	DEQ stakeholder meeting
<i>May 9, 2017</i>	<i>Application received</i>
June 16, 2017	Public Comment Period Opened
July 18, 2017	Public Hearing in Fayetteville
July 20, 2017	Public Hearing in Rocky Mount
August 9, 2017	Environmental Justice Forum
August 15, 16 & 17, 2017	DEQ Listening Sessions
August 19, 2017	Public Comment Period Ended

ACP – 401 Application Timeline

Date	Action
May 9, 2017	Application received
June 27, 2017	DWR requested Add Info (1)
July 12, 2017	Add Info received (1)
September 14, 2017	DWR requested Add Info (2)
September 22, 2017, October 2 & 13, 2017	Add Info received (2)
October 26, 2017	DWR requested Add Info (3)
November 4 & 15, 2017	Add Info received (3)
November 28, 2017	DWR requested Add Info (4)
November 29, 2017, December 8 & 20, 2017, January 17 & 18, 2018	Add Info received (4)
January 22, 2018	Hearing Officer's Report and Recommendation given to DWR Director
January 26, 2018	401 Certification & Buffer Authorizations issued

Conditions of 401 Certification

- Approved temporary and permanent impacts:

Type of Impacts	Amount Approved Permanent (units)	Amount Approved Temporary (units)
404 Wetlands	0.80 (acres)	453.45 (acres)
Perennial Streams	160 (linear feet)	15,081 (linear feet)
Non-perennial Streams	606 (linear feet)	21,007 (linear feet)
Open Waters	0 (acres)	0.44 (acres)
Buffers	1,115,505 (square feet)	0 (square feet)

Conditions of 401 Certification

- Required mitigation for buffer impacts*:

Type of Impacts	Compensatory Mitigation Amount Required (units)
Buffers	1,351,992 (square feet)

- Buffer mitigation requirement satisfied by payment to the in lieu fee program (DMS)

*** Mitigation for stream and wetland impacts were required by the Corps**

* Mitigation requirements satisfied by a combination of:

1. Purchasing credits from a private mitigation bank
2. Payment to the in lieu fee program (DMS)
3. Permittee-responsible mitigation

Conditions of 401 Certification

- Stream and Wetland Monitoring
 - Upon restoration of temporary impacts, restored areas must be monitored for three years with photo documentation
 - DEQ may extend monitoring requirements
- Work in the Dry
 - Unless an exemption is granted for a specific location, all stream-crossing construction activities must be conducted using best practices to divert water and limit potential sediment pollution in streams

Conditions of 401 Certification

- Horizontal Directional Drill (HDD)
 - Composition and properties of drilling fluids and additives for each HDD crossing must be submitted to DEQ
 - Will be available online for public access
- Private Well Testing
 - Within 150 feet of the limit of disturbance
 - Within 500 feet from blasting areas
 - Prior to construction and within 6 months of project completion
 - Testing after completion must be conducted by an independent qualified groundwater specialist

Conditions of 401 Certification

- Construction Stormwater Protections
 - Meet requirements of state's construction stormwater permit for entire construction corridor in NC
(not required by state or federal regulations)
- Pre-construction meeting with ACP staff, construction contractors, DWR and DEMLR
 - March 1, 2018
- Monthly ride-through inspections with both DWR and DEMLR staff to assess compliance

Compensatory Mitigation

The “compensation” for loss of jurisdictional waters (or aquatic resources) for unavoidable impacts as defined by permit condition.

Defined in:

- * 40 CFR Part 332, §332.2 Definitions
- * §143-214.11(a)(1)



Division of Mitigation Services (DMS)

In-Lieu Fee Program
(Fee based – no appropriations)

Supports
development and
transportation.

Watershed focused
mitigation.



DMS is ONE of THREE choices...

**Mitigation
Banks**

**In-Lieu Fee
(DMS)**

**Permittee
Responsible
Mitigation**



DMS Public Sector Customers:



DMS Private Sector Customers:

CVS/pharmacy®

OUTBACK
STEAKHOUSE®

ACE
Hardware

AutoZone®

ALDI

CARRABBA'S
ITALIAN GRILL

NORTH STATE
BANK
Exigence relationship banking.

THE UMSTEAD
HOTEL AND SPA

ASC

Advance
Auto Parts
Professional
Service is our best part.™

AT&T

THE EAST CAROLINA BANK
ECB
SINCE 1920

DOLLAR GENERAL
Save time. Save money. Every day!

FRIDAYS

CRESCENT
STATE BANK

SLEEP
INN

BB&T

Bank of America

COSTCO
WHOLESALE

DUNKIN'
DONUTS®
The Family Business That Treats You Like Family!

DUTY TIRE
& SERVICE CENTER

Applebee's

BELLSOUTH®

Bojangles'
Famous Chicken & Biscuits

Hampton

Hendrick
BUICK GMC CADILLAC
THE NEWS & OBSERVER

Wendy's
Pizza Hut

verizon

COOK-OUT.

HYATT®

FedEx

Corporation

IBM

Olive
Garden
ITALIAN RESTAURANT

Quarles.

FAIRFIELD
INN & SUITES
Marriott

ingles

Lowes
foods

LOWE'S
Home Improvement Warehouse

H

Holiday Inn®

Walmart

McDonald's

Microtel®
Inns & Suites

FAMOUS FOR
Steak 'n Shake
STEAKBURGERS

PIEDMONT
TOWN CENTER

Precision
Tune
AutoCare

KFC

WILCO
HESS

FRESH FOOD
SHEETZ
MADE TO ORDER

PEPSI®

Walgreens
Super Express Lube

STANLEY STEEMER

TRIANGLE
TOWN
CENTER
& COMMONS

NH
NORTH
HILLS

QUINTILES
WAFFLE
HOUSE

POLO
RALPH LAUREN

Gregory Poole

CAT

DMS Mitigation Acceptance Process

In-Lieu Fee request process:

- In-Lieu Fee Request Form
- Statement of Compliance with §143-214.11.
- Acceptance issued.

404 Permit and/or 401 Certification issued:

- DMS issues invoice
- Applicant makes payment
- Mitigation Transfer Form signed
- Receipt issued to Applicant



DMS Current Fee Schedule

Fee Category	Credit Unit	Rate per Unit Click below for (Higher Fee HUs)	Rate per Unit Click below for (Standard Fee HUs)
Riparian Buffer	square foot	\$1.16	\$1.16
Stream	linear foot	\$394	\$300
Riparian Wetland	acre	\$71,772	\$40,580
Non-Riparian Wetland	acre	\$51,782	\$26,631



Atlantic Coast Pipeline

- Utilized all three mitigation options (Bank, ILF, PRM).
- Requested DMS accept mitigation stream, wetland, and buffer impacts.
 - May 4, 2017 – initial request
 - August 31, 2017 – revised request
 - October 6, 2017 – revised request
- January 29, 2018 – DMS invoice issued for 401 buffer impacts.
 - \$1,568,310.72 received by DMS on February 9, 2018.
- February 12, 2018 – DMS invoice issued for 404 stream and wetland impacts.
 - \$4,484,061.25 received by DMS on February 14, 2018.
- Total payment to DMS is \$6,025,371.97



401 Buffer Mitigation (DMS)

River Basin	Mitigation Type	Quantity	Rate per credit	Fee
Neuse	Riparian Buffer	486,344	\$1.16	\$564,159.04
Neuse	Riparian Buffer	245,612	\$1.16	\$284,909.92
Tar-Pamlico	Riparian Buffer	318,868	\$1.16	\$369,886.88
Tar-Pamlico	Riparian Buffer	301,168	\$1.16	\$349,354.88

Total Credits:

- 1,351,992
(31 acres)

Total Buffer Fee = \$1,568,310.72



404 Stream/Wetland Mitigation (DMS)

River Basin	Mitigation Type	Quantity	Rate per credit	Fee
Chowan	Riparian Wetland	6.57	\$40,580.00	\$273,915.00
Pasquotank	Non-Riparian Wetland	1.49	\$26,631.00	\$39,946.50
Roanoke	Non-Riparian Wetland	1.15	\$51,782.00	\$64,727.50
	Riparian Wetland	1.76	\$71,772.00	\$143,544.00
Tar-Pamlico	Non-Riparian Wetland	5.2	\$26,631.00	\$139,812.75
	Riparian Wetland	19.7	\$40,580.00	\$801,455.00
Tar-Pamlico	Non-Riparian Wetland	6.21	\$51,782.00	\$323,637.50
Neuse	Non-Riparian Wetland	10.53	\$26,631.00	\$286,283.25
	Riparian Wetland	6.7	\$40,580.00	\$273,915.00
Neuse	Warm Stream	126	\$394.00	\$49,644.00
Cape Fear	Warm Stream	122	\$394.00	\$48,068.00
	Riparian Wetland	1.11	\$71,772.00	\$89,715.00
Cape Fear	Riparian Wetland	9.88	\$71,772.00	\$717,720.00
Cape Fear	Non-Riparian Wetland	16.63	\$26,631.00	\$446,069.25
Lumber	Non-Riparian Wetland	13.32	\$26,631.00	\$359,518.50
	Riparian Wetland	10.37	\$40,580.00	\$426,090.00

Total Credits:

- Stream = 248
- Wetland = 112.25

Total Stream/Wetland Fee = \$4,484,061.25



DMS Plans for Mitigation Procurement

- Existing credit inventory.
- Bank credits (if available).
- Develop full delivery projects
 - Task order service contract with private mitigation providers.



DEQ/DEMLR Programs Requiring Approvals and Permits

- **Erosion and Sedimentation Control Program** – Erosion and Sediment Control Plan Approval pursuant to NCGS 113A-50 through 67 (Sedimentation Pollution Control Act) and 15A NCAC 04 – Sedimentation Control
- **State Stormwater Program** – State Stormwater General Permit for Linear Utility pursuant to NCGS 143-214.7 (Stormwater Runoff) and 15A NCAC 02H.1000, .1001-.1003, .1017, .1040-.1042, and .1050-.1062 – Stormwater Program Rules

Description of the Project Requiring Plan Approval and Permits

For Erosion and Sedimentation Control



Raleigh Regional Office:

1. Linear Gas Pipeline Project development submittal that is planned to disturb 2,006 acres of land. This plan has been reviewed and is “Approved” at this time.
2. Received a “Revised” plan application to address minor re-alignments of the main pipeline on February 23, 2018. This plan is on a 15-day review clock for action by March 10, 2018.
3. Received a “New” plan for a Contractor Laydown Yard in Nash County that is 4 acres in size to be used with the Gas Pipeline Project. This plan is on a 30-day clock for action by March 25, 2018.

Fayetteville Regional Office:

1. Linear Gas Pipeline Project development submittal that is planned to disturb 1,036 acres of land. This plan has been reviewed and is “Approved” at this time.
2. Received a “Revised” plan application to address minor re-alignments of the main pipeline on February 23, 2018. This plan is on a 15-day review clock for action by March 10, 2018.



Raleigh Region:

1. Linear Gas Pipeline (Utility Project) that will discharge stormwater. General Permit was issued on February 1, 2018. (SWG040095)

Fayetteville Region:

1. Linear Gas Pipeline (Utility Project) that will discharge stormwater. General Permit was issued on February 1, 2018. (SWG040096)
2. Application received for a Contractor Laydown Yard requiring an Individual Stormwater Permit (SW6180202) was received on February 27, 2018 and is currently being reviewed on a 90-day clock.

Process for Review and Approval/Permitting in Sedimentation and Stormwater Programs

Reviewed in accordance with the relevant NC General Statutes and the NC Administrative Code

- Participated in scoping meetings
- Later received applications
- Reviewed applications per NCGS and NCAC (90-day review clock for Stormwater, 30-day review clock for New E&SC, 15-day review clock for Revised E&SC)
- Requested additional information on multiple occasions from applicant for all reviews
- Approvals/Permits issued once application was complete and met the requirements in NCGS and NCAC.



For Erosion and Sedimentation Control:

- Sedimentation Control will rely on use of structural best management practices (BMP) which may include but are not limited to: Skimmer Basins, Silt Fence, Diversion Berms/Channels, Energy Dissipaters, etc.
- Erosion Control will rely on use of groundcover application on a 7 or 14 day clock following completion of work in an area. Groundcover includes but is not limited to: Temporary or Permanent Vegetation, Straw Mulch, Stone, Rolled Erosion Control Products (Matting), etc.

For Stormwater Control:

- The two General Permits rely on minimization of Built Upon Area (BUA) constructed and control of stormwater runoff from BUA via vegetated swales and/or vegetated areas.
- The Individual Permit will rely on treatment of runoff from BUA by structural Stormwater Control Measures (SCM) which may include but not limited to Stormwater Ponds, Dry Ponds, Bio-Retention Basins, etc.

- **Description of the project or activity requiring a permit or plan approval**
- **The Northampton Compressor Station will provide compression to support a pipeline capacity of 1.5 billion cubic feet of natural gas per day.**

Pollutant	Expected Actual emissions (tons per year)
Total Suspended Particulate	18.1
PM-10	18.1
PM2.5	18.1
Sulfur Dioxide	3.08
Nitrogen Oxides	18.0
Volatile Organic Compounds	1.65
Carbon Monoxide	28.6





- **Primary Equipment –**
 - **Three Combustion Turbines**
 - **Ranging from:**
 - **51 to 96 million BTU per hour**
 - **4,427 to 11,107 horsepower**
 - **Each turbine controlled by selective catalyst reduction in series with an oxidation catalyst**
 - **These are effective controls for nitrogen oxides (NOx)**





- **Additional Permitted Equipment –**
 - **Emergency Generator**
 - **Storage Tanks**
 - **Small Boiler**
 - **Fugitive Emissions - Piping Connections & Process Blowdown**





- **Rules That The Entire Facility Is Subject To:**
 - **15A NCAC 2D .0202 Registration of Air Pollution Sources**
 - **15A NCAC 2D .0516 Sulfur Dioxide Emissions from Combustion Sources**
 - **15A NCAC 2D .0521 Control of Visible Emissions**
 - **15A NCAC 02D .0535 Excess Emissions Reporting and Malfunctions**
 - **15A NCAC 2D .0540 Particulates from Fugitive Dust Emission Sources**
 - **15A NCAC 2D .1100 Control of Toxic Air Pollutants**
 - **15A NCAC 2D .1806 Control and Prohibition of Odorous Emissions**
 - **15A NCAC 02Q .0309 Termination, Modification and Revocation of Permits**
 - **15A NCAC 02Q .0711 Emission Rates Requiring a Permit**





Rules That Specific Equipment Is Subject To:

- **Natural Gas-fired Compressor Turbines CT-01, CT-02, CT-03**
 - 40 CFR 60, Subpart KKKK -- Standards of Performance for Stationary Combustion Turbines
 - 15A NCAC 02D .0611 Monitoring Emissions from Other Sources
- **Natural Gas-fired Emergency Generator**
 - 40 CFR 63, Subpart ZZZZ -- "National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines
 - 40 CFR 60, Subpart JJJJ -- Standards of Performance for Stationary Spark Ignition Internal Combustion Engines
- **Natural Gas-fired Boiler**
 - 15A NCAC 2D .0503 Particulates from Fuel Burning Indirect Heat Exchangers
- **Fugitive Leaks-**
 - 40 CFR 60, Subpart OOOOa -- Standards of Performance for Crude Oil and Natural Gas Facilities for which Construction, Modification or Reconstruction Commenced After September 18, 2015





Permitting process:

- **Minor source air quality permit**
- **Significant public interest**
- **Public comment period**
- **Extensive outreach**
 - **Community flyers, fact sheets, information about public hearing at local businesses and faith based organizations, information available at public locations, and enhanced social media campaign**
- **Public hearing**





Permitting process:

- Received and considered over 3700 comments on the draft permit.
- Comments led DAQ to request revised emissions projections and an additional modeling analysis.
- Modeling analysis led to permit conditions requiring additional analysis above certain air toxics emissions thresholds.



Questions ?

