

Dominion confident will win Atlantic Coast Pipeline legal challenges

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Dominion Energy expects to win one of two legal challenges its **Atlantic Coast Pipeline** faces within the next four to six weeks and be able to resume construction on a portion of the 600-mile route after that, an executive said June 11.

Donald Raikes, senior vice president for **gas** transmission operations in **Dominion** 's **Gas** Infrastructure Group, added that he believes the **US** Supreme Court will agree to hear the second legal challenge, involving a permit to cross the Appalachian Trail, and ultimately rule in the operator's favor, allowing it to complete the project.

The optimism comes as **Dominion** holds to its current timeline to begin partial service in late 2020 and full service in early 2021. The up-to-\$7.5 billion project has been beset by delays and cost increases, largely because of opposition from environmental groups that has resulted in the legal challenges. **Atlantic Coast Pipeline** is among several Northeast **gas** infrastructure projects designed to boost takeaway capacity from the **Appalachian Basin** that have been delayed or stalled because of regulatory and legal hurdles.

"This is not about Duke, or **Dominion** or Southern," Raikes said at the LDC **Gas** Forums conference in **Boston** . "This is about the industry. This is about all of **us**."

Also at the conference on June 11, attendees received updates on pending Northeast **gas** projects involving Enbridge and Iroquois **Gas** Transmission. Officials said that while not all Northeast projects are seeing permitting headwinds, the ones in the region that seem to be advancing of late utilize existing infrastructure, rather than call for building from scratch.

The 1.5 Bcf/d **Atlantic Coast Pipeline** is a joint venture of **Dominion** , **Duke Energy** , **Southern Company** and Duke's Piedmont **Natural Gas** that will be operated by **Dominion**. It is being designed to move **gas** production from points in **West Virginia** to **markets** and **pipeline** connections in **Virginia** and **North Carolina**.

The federal government is expected to back with its own appeal **Dominion** 's Supreme Court appeal of a 4th **US** Circuit Court of Appeals decision that invalidated **US Forest Service** authorizations for the project to cross the Appalachian Trail.

While the government's support could bolster **Dominion** 's case, success is not assured. Some analysts have questioned whether the high court will hear the case, and if it does whether it will make a favorable decision in a timely way to allow the operator to keep to its current in-service schedule. The 4th Circuit has become a very difficult venue for **Dominion**.

During a separate presentation at the conference, Dan Diefenbach, manager of facility planning and design for **Dominion Energy** Transmission, said 35 miles of the **pipeline** are now in the ground in **West Virginia** and **North Carolina**.

Market watching

Asked if **Dominion** was worried some of its partners or end-users may abandon **Atlantic Coast Pipeline** if it is delayed further or its costs rise further, Raikes said he believes the operator has taken a conservative approach to the outcome of its two major legal hurdles.

He also compared the questions **Dominion** faced about the ability to finish the company's **Cove Point LNG** export terminal in **Maryland**, which began shipping cargoes in March 2018, to the current issues faced by **Atlantic Coast Pipeline**.

"Some people said **Cove Point** would never get done. **Dominion** said it would," Raikes said.

Speaking about **Atlantic Coast Pipeline**, he added, "**We** 're very confident **we** will get it done, and are on the right side of it."