

Proposal for

**Economic and Cultural Impact of the Proposed Mountain
Valley Pipeline in Montgomery and Giles Counties, Virginia**

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PROJECT FOCUS: Virginia Tech will examine the cultural and economic impact of the proposed 42” diameter Mountain Valley Pipeline on the New River Valley from an analysis of data gathered from both the corporation’s and citizens’ points of view in order to determine if the project contributes to or detracts from the sustainability of the two New River Valley counties affected.

PROJECT DETAILS:

A. Course Number, Name, and Instructor:

APS/SOC 4094 Undergraduate Community Research; instructor: Dr. Anita Puckett

B. Community Partner:

New River Valley Regional Commission
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Contact: Mr. Kevin Byrd, Executive Director
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C. Need:

In October 2014, Mountain Valley Pipeline, L.L.C. (MVP), a limited liability corporation formed by EQT Corporation and Nextera Energy, submitted a pre-filing request to the Federal Energy Regulatory Commission (FERC) to construct a 42” diameter natural gas transmission pipeline from Wetzell County, West Virginia, to Pittsylvania County, Virginia, along with four compressor stations. Fourteen of the 16 counties affected reside in Appalachia. The line is to be approximately 300 miles long and is estimated to cost about \$3.5 billion. It is scheduled to be in production in 2018 (Home 2015). Initial announcements about this project indicated that there was to be no local access to the natural gas, but that it would be transmitted to a Transco connecting line in Pittsylvania County, Virginia, for burning elsewhere. Therefore the Virginia counties involved would not benefit locally from the natural gas. This initial claim has been somewhat modified by MVP to indicate local use possibilities if demand is present, but whether the threshold of acceptable demand can be met in a given county is highly problematic, as is the multi-million dollar costs of building local lines.

Resulting from this filing has been hotly contested and widely distributed citizen and local governmental opposition to the construction of a line of this magnitude through an environmentally, geologically, historically, and culturally sensitive landscape. The size of

the easement required (125') (Public, Stakeholder, and Agency Participation Plan 2014: 41), the destruction of the environment (trees and other flora, endangered species, water quality, and farmland) to lay and maintain the pipeline, the engineering of the pipe across heavily karsted, seismically-active, and geologically faulted morphology, and the likely safety and health issues raised by both pipeline and compressor station pollution, are among the many major concerns that have been voiced by residents organizing against the project (e.g., Preserve Craig; Preserve Floyd; Preserve Giles County; Preserve Greenbrier County; Preserve Monroe; Preserve Montgomery County VA; Preserve the New River Valley; and Preserve Roanoke). These are in addition to economic concerns in loss of property values, tourism, and opportunities for business growth, despite company-promised significant increases in county income through utility ad valorem taxes.

This opposition is concentrated in the lower West Virginia counties (Monroe and Greenbrier) and the Virginia Counties of Giles, Montgomery, Roanoke, Craig, and Franklin. These anti-pipeline grassroots efforts have resulted in close and careful analysis of MVP's reports and greater-than-expected attendance at company Open House activities required by FERC. One Montgomery County Board of Supervisors meeting with MVP officials resulted in a turnout of 800 citizens, while similar meetings in Giles and Roanoke Counties yielded several hundred (Adams, 2014a; 2014b; 2014c). Many of those resisting in the New River Valley (NRV) areas of Giles and Montgomery Counties are Ph.Ds. employed at Virginia Tech, Radford, and other surrounding colleges. Their analyses therefore are detailed, analytic, and informed, but not necessarily based in practical experience.

MVP has responded to this opposition with open meetings with Virginia County Boards of Supervisors, newspaper advertisements, and closed meetings with various stakeholders. These are in addition to its required public written reports on progress to FERC. It has also provided a public economic analysis of the pipeline's impact that is, as would be expected, quite positive towards the pipeline (Mountain Valley Pipeline Offers 2014; New Study Projects 2014). These efforts are in addition to the county-level Open Houses and the presence of MVP representatives at the various FERC-sponsored Scoping Meetings for citizen input throughout the impacted region. Its economic assertions in the report, however, have been modified downward by subsequent MVP quarterly reports to FERC (cf. Draft Resource Report Nos. 2, 6 and 9 2015).

Opponents, meanwhile, have also presented their negative economic analyses of key economic sectors such as real estate values and tourism. In addition, Montgomery County government has attempted an analysis of the MVP documents, but has not succeeded in reconciling MVP figures with their own. This has led County Administrator Craig Meadows to state that the documents reflect selective use of data available that, in turn, construct a distorted picture of economic contributions (Meadows 2015).

These disparities in proposed pipeline construction and maintenance impacts have also led to many impassioned discussions by local citizens, grassroots organizations, and county/state governmental officials concerning the effect of the proposed pipeline on county and community sustainability. Central to economic and cultural issues is whether

or not counties, towns, and communities in the two NRV counties will experience enough loss of farmland and farm activities, tourism and other visitor-generated income, decline in private home real estate values, loss of current highly-trained professional jobs, and loss of cultural identities to the point that counties and communities will suffer economic decline and the kinds of cultural fragmentation that also result in loss of county sustainability and viability (Appalachian Mountain Advocates et al. 2015).

At the same time, several different studies have proposed analyses of the potential value to energy infrastructure needs in the American southeast and mid Atlantic regions, as well as internationally. These studies often contradict each other and may or may not take into account the fact that four such pipelines are being proposed in Virginia alone, 10 for the American east (Appalachian Mountain Advocates et al. 2015). Calls that the aggregate and cumulative impact must be assessed have been made by numerous involved governmental and legal organizations (e.g., Roanoke Appalachian Trail Club 2015; see also Appalachian Mountain Advocates et al. 2015 for a summary of these organizations), but FERC, the regulatory agency in charge of approving such interstate lines, has not yet (as of June 18, 2015) responded favorably to these concerns. Consequently, county-level concerns have not been effectively dismissed by clear arguments of greater national or regional necessity.

Therefore, the overarching purpose of this project is to examine whether the Mountain Valley Pipeline project will be economically and culturally beneficial or detrimental to the NRV counties of Giles and Montgomery. Results of the project will be provided to our partner, the New River Valley Regional Commission (Regional Commission) in order for it to determine how it, and the supporting organizations of the two county governments and their chambers of commerce, can best respond to the changes to the counties the pipeline will have, assuming it is built, or to implement in other ways any benefits it might have had should it not occur.

Virginia Tech will bring a number of students interested in the project to the task of data collection through printed and online document collection and analysis, individual and focus group interviews with county citizens, and participant observation activities at various public and private meetings, should they be allowed to attend. Research will also draw on the Virginia Tech graduate student-driven website PipelineNetworking.org constructed Spring 2015 semester. Analysis will use both quantitative and qualitative methods appropriate to community-level economic analysis and applied anthropological and sociological methods for assessing cultural asset strengths and sustainability (Flora and Flora 2015). Direction and guidance in terms of what types of analysis are appropriate for these NRV counties will be provided the Regional Commission.

D. Number and description of planned meetings with the community partner:

Per discussions with Mr. Byrd, Executive Director of the Regional Commission, we will meet with him at least monthly (see Appendix for copy of email communication). These meetings will offer co-direction to project research, outcomes, and assessment as described above. Other phone, text, and email communications are likely. He will be invited to attend the Washington conference as well. Spring 2016 meetings between the project

director, Dr. Puckett, and Mr. Byrd with students who wish to continue the project are also likely.

E. Overview of the project, including its central focus (10-12 sentences):

The project can be divided into three major areas: classroom instruction, project research, and data analysis. **The classroom experience** will be offered in a seminar format that meets once a week. Given the breadth and depth of the project, guest speakers, including the project partner, are to be expected for at least six of the classes. Instruction will focus on methods, concepts, and theories appropriate to an applied community-based project such as this one. The project director and class instructor, Dr. Puckett, will draw on Virginia Tech and regional professionals for speakers in areas in which she is not professionally trained, including economic development professionals, tourism experts, real estate agents, agricultural economists, and those able to speak to “quality of life” issues. Proponents of both pro and anti pipeline development will also be asked, including MVP personnel. **The community research component** will be addressed by students being assigned to research teams of two or three students according to their majors and personal interests. They will then be directed to relevant printed or electronic documents, video recordings of public meetings, on-going public meetings and potential private meetings of both pro and anti pipeline groups, and to direct interviews and focus group organization and execution. Critical to this research component is to collect comparative data from citizens residing on property over or abutting existing large pipelines. While 42” lines are new, 28” and 32” lines in Appalachia exist, and ways of accessing those impacted by them are known to the Dr. Puckett. **Analysis** will be conducted throughout the class term, but will receive course focus in November 2015. Input from the Regional personnel will be critical in this stage of the project.

F. Goals and Objectives:

ARC Goals:

- The project addresses ARC goal (1) by examining the economic impact of the proposed pipeline in a manner that will address the question of whether it will “increase job opportunities and per capita income in Appalachia” or reduce them;
- The project addresses ARC goal (2) by assessing whether the pipeline will enhance or restrict the ability of the two counties researched to compete more fully in the global economy;
- The project addresses ARC goal (3) by assessing whether the pipeline would improve or not the region’s energy access infrastructure through a community and county-level analysis. The goal here is to determine whether two Appalachian Virginia NRV counties would benefit or not from the pipeline per the mandate of the ARC, rather than whether non-Appalachian areas would. This focus is in response to the ARC Appalachian Teaching Project’s overarching question: “How do we build on *community* assets to shape a positive future for Appalachia” (emphasis mine)

Project Goals:

- Students and faculty will attend and participate in the Washington conference on December 4-5, 2015 through a presentation of their findings and through active participation in discussion and questions of other presentations;
- Students will display a poster of their project and their findings;
- Project director, Dr. Puckett, commits to submitting to the ARC a final report of the project's findings by May 31, 2016;
- Virginia Tech and the project director commit to using project funds appropriately and within the time period allocated. Virginia Tech IRB approval will be sought.

Goals for Students:

- The project directly addresses the goal of students developing awareness of community assets that can foster sustainability by assessing what cultural and economic assets will be enhanced or depleted by potential pipeline construction;
- Students will develop leadership skills by working in small teams to conduct actual community-based research. While instructor guidance will be provided, much of the actual research must be conducted by students taking the lead to organize, collect, and analyze the data they have agreed upon to collect. Performing these activities will give them the self-esteem and self-confidence necessary to conduct other community work or studies on their own. In so doing, they will develop project leadership skills;
- In the act of doing community research rather than passively listening to lecture material in a classroom, students must be engaged in community research that is interactive with residents. By engaging in these connections with actual citizens, they will suggest ways to develop community and cultural assets that will support sustainability. It should be noted, however, that some students might be reluctant to make contact with people who are culturally different from themselves and whom they do not know. Instructor guidance will be necessary to get them to participate in focus groups and other community events at a level that they may find uncomfortable, but not socially painful. Their roles will focus, though, on collecting documentary data.

Goals for Community Partner and Participating Institution

- The Regional Commission partner desires data and metadata that will be accurate so it can meet its mandate to “create jobs and wealth while improving the quality of life. Economic development is also a process that influences growth and restructuring of an economy to enhance the economic well being of a community” (Economic Development 2015) and to “provide, encourage, and assist local governments in planning for their future development” (Community Development 2015);

- The participating institution, Virginia Tech, has as its major goal to meet the goals of the Appalachian Teaching Project in manner that, in turn, conforms to the land grant mission of Virginia Tech to serve the communities and citizens of Virginia, and provides as excellent an educational experience as is possible for its students that promotes both their abilities to make informed, ethical, and intelligent decisions and their abilities to experience a high “quality of life.”
- The Appalachian Studies Program at Virginia Tech has as its major goal to promote an accurate and informed understanding of the Appalachian region in a manner that enhances, promotes, and preserves the distinct cultural orientations of those who reside in it, and do so from an environmentally sustaining perspective.

PROJECT OUTCOMES:

- Through our partnership with the Regional Commission, which has strong local ties to communities in the region it serves, Virginia Tech Appalachian Studies will be developing what is hoped to be a lasting research partnership with it and, as a result, broaden its connections with communities in the New River Valley;
- The project results will lead to recommendations that will guide the Regional Commission in making informed decisions and developing useful guidelines to promote community sustainability with respect to the construction of mega natural gas pipelines and compressor stations in its district. Appalachian Studies intends to follow up on the project by suggesting ways to further collaborate with it;
- Since the Regional Commission is a local development district arm of the ARC, any outcomes from the project that benefit it will also benefit the ARC and directly address some of its goals, as well as improving working relationships between academic institutions and local, state, and federal partners in the work of the ARC;
- As has happened in the past when Virginia Tech Appalachian Studies has participated in the ATP, we anticipate the skills developed by students during the project will assist at least some of them in obtaining post baccalaureate jobs. The community experiences they have, and the leadership skills they develop through the project have been positively reviewed by a number of potential employers including tourism commissions, museums, and other non-profit organizations;
- Presentation of the project’s results through students’ talk, poster, and questions at the Washington conference where students can interact with and visualize the work of other institutions participating in the project, as well as the ARC itself, will promote awareness of the work of the ARC on a transcounty, transregional level by them becoming much more informed about how the ARC is structured, what it does, and how those *in the region* respond to its initiatives;
- A major outcome for the Appalachian Studies Program is that stronger community relations are formed that, in turn, facilitate the flow back and forth of Virginia Tech and community expertise in a manner that benefits both significantly in a manner that respects the expertise and value of all involved. Last year’s project, for example, led to one student interning with the Montgomery County Tourism Office in a manner that permitted it to successfully take the lead in organizing The Crooked Road’s Mountain of Music Homecoming throughout the county. Other counties in the New River Valley area

expressed strong desires to have the same resources made available to them, which Appalachian Studies is planning on implementing in the fall of 2015.

- Project community presentations will be held at the following locations at the end of the Fall 2015 semester and during the Spring 2016 semester: (a) The Regional Commission; (b) the Montgomery and Giles Counties Board of Supervisors either in a closed meeting or as part of the public meeting held every two weeks; (c) at a public meeting to be held at a central location in the counties, such as a library, where citizens can attend and comment.

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APPENDIX: EMAIL FROM COMMUNITY PARTNER

Thanks for reigning me in J I think the questions you identified are great and will be well worth exploring. Let's move forward with the framework you identified.

Best,
Kevin

***Please note our email addresses changed to @nrvrc.org to reflect our agency name change to the New River Valley Regional Commission.**

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From: Anita Puckett [mailto:apuckett@vt.edu] **Sent:** Monday, June 15, 2015 10:44 AM **To:** Kevin Byrd **Subject:** Re: Collaborating this fall on pipeline economics

Hi, Kevin,

I'm afraid I didn't make the project as clear as I should have. We need to focus on local communities from the perspective of local sustainability. This is a requirement of the grant. The overarching question of any of the projects participating in the Appalachian Teaching Project is the following (from the Scope of Work Statement):

"Each participating institution will offer at least one course in which students will address the question, 'How do we build on community assets to shape a positive future for Appalachia?'"

and, further,

"Students will engage in active research to assist communities in creative approaches to sustainability through asset development."

Your focus is more abstract and regional--we need to keep it much more local and focused and show "asset development" (or loss). Can we do that? Can't do much with coal around here since we've not been a major contributor and what coal was mined was stopped about 60 years ago. And I can't get the students to work in far southwest VA--too far and we have competition from other educational institutions who are part of the Teaching Project (Emory and Henry, ETSU, Radford). We have to work locally.

How about some of the following questions instead?

1) What is the most accurate account possible for the proposed economic impact of the Mountain Valley Pipeline in the counties impacted in Virginia's New River Valley from the following perspectives:

- a) Jobs created in the two counties and their impact on the counties (temporary and permanent)
- b) Loss of local economic resources (various farm/land based business, tourism, small green business expansion, etc.)
- c) Any changes in real estate values?
- d) Health and safety impacts, particularly of compressor stations.
- e) Business growth opportunities--or not--via access to more natural gas.

2) What are the cultural impacts of construction of a pipeline of this magnitude in this area?

- a) Any changes in land valuation and residents identity with their land that impact existing cultural capital?
- b) Any significant loss of historical and prehistoric cultural resources that impacts existing cultural assets?
- c) Any major cultural transformation of the community base of the various locales, towns, communities, and counties impacted that will impact resources to develop community cultural assets?

Major questions to be answered are: "How will/would the construction of a 42" natural gas pipeline that transports fracked gas through Giles and Montgomery Counties, Virginia, impact the cultural orientations and values and the economies of these two counties? Will it bring asset development or asset loss or neither?"

What do you think? Can you work with this or do you need something else?

(I met with Craig Meadows this morning to discuss County involvement, so I'm a bit late getting back to you.)

Very best,

Anita

On Mon, Jun 15, 2015 at 9:48 AM, Kevin Byrd <kbyrd@nrvc.org> wrote:

Hello Anita,

I think it would be interesting to compare and contrast the economic impact of coal in Appalachia against natural gas. If this is the framing prompt, students could explore the following.

- 1) Jobs in Appalachia associated with both commodities
- 2) Cultural impact (oral history before/during/after coal compared to ramp-up of natural gas)
- 3) Perceived direct benefit (what do residents think about the direct financial return of both commodities in Appalachia)
- 4) Environmental impact (what do residents think of coal impact, what about natural gas impact)
- 5) Environmental justice (do residents feel they have adequate representation/voice in the process?)

These are just a few items that would be useful to give voice to the issue. I would be happy to meet monthly with the class to discuss the project, receive updates and offer guidance.

Anything else you need from me?

Thanks,
Kevin

***Please note our email addresses changed to @nrvc.org to reflect our agency name change to the New River Valley Regional Commission.**

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