



DEPARTMENT OF THE ARMY  
US ARMY CORPS OF ENGINEERS  
NORFOLK DISTRICT  
FORT NORFOLK  
803 FRONT STREET  
NORFOLK VA 23510-1011

March 20, 2017

Executive Office

Honorable Ryan Zinke  
Department of the Interior  
1849 C Street NW  
Washington, D.C. 20240

Dear Mr. Zinke:

I write in response to former Secretary Sally Jewell's January 17, 2017 letter to then Assistant Secretary of the Army for Civil Works (ASA-CW) Ms. Jo-Ellen Darcy regarding Dominion's proposed construction of the Surry-Skiffes Creek-Whealton Transmission Line. A portion of the proposed work would require a Department of the Army permit pursuant to the Rivers and Harbors Act (RHA) and the Clean Water Act (CWA). Authority to issue or deny such permit is delegated through regulation to me as the Norfolk District Commander. Therefore, as explained in his recent letter to you, Mr. Douglas Lamont, performing the duties of ASA-CW, has passed along to me your letter and enclosures.

In her letter, Secretary Jewell raised concerns related to the impacts of Dominion's proposed project and our review. Secretary Jewell states that "an overhead powerline is unsuitable at this location" and suggests the Corps should either deny the permit for the proposed work or prepare an Environmental Impact Statement (EIS). As with others, Secretary Jewell supports the need for an EIS more with a desire to further explore the project need and alternatives and to allow for greater public input and scrutiny than with the need to further evaluate the significance of the effects.

The need driving the proposed project has been thoroughly evaluated and confirmed. Dominion is proposing to construct this line to address grid reliability concerns created by the shutdown of its Yorktown generation plant. The Corps has independently evaluated all information supplied by the applicant supporting the project need. Additionally, the Virginia State Corporation Commission (SCC), through its separate review process has approved the project need, design, and location. Finally, PJM, the responsible Regional Transmission Organization, has since 2012, supported the proposed project as the most effective solution to address grid reliability criteria violations that will occur immediately following the deactivation of the Yorktown Plant. In a March 1, 2017 letter to me, PJM again confirmed the need supporting the proposed project based on its recently updated 2017 Load Forecast Report. Therefore, I find no reason to question the conclusion that regional demand and transmission system stress, exacerbated by deactivation of two coal-fired generators at the Dominion Yorktown facility, present a clear need to improve system reliability.

We have evaluated a wide range of alternatives including those initially considered by Dominion and those suggested by other parties during our review. Dominion has provided persuasive information that eliminates many of these alternatives from further consideration based on some combination of failure to resolve North American Electric Reliability Corporation (NERC) reliability criteria violations, cost, logistics, and time to implement. In our October 2015 Alternatives Whitepaper, we analyzed a range of alternatives including generation alternatives, upgrades to existing facilities, use of existing transmission lines, and the construction of new transmission at varying capacities. In that Whitepaper we concluded, that only the proposed project and the Chickahominy alternative are both practicable and meet the project's purpose and need. We have continued to evaluate alternatives. Most recently, Tabors Caramanis Rudkevich (TCR) proposed four alternatives that it suggested were cost effective and technically feasible. Dominion subsequently explained and PJM has affirmed that these alternatives fail to address all of the reliability criteria violations that are being addressed by the proposed project. To be clear, we have to date appropriately evaluated every alternative that has been proposed by any party.

We have provided multiple opportunities and avenues for public involvement. During our review, we have issued four separate public notices with request for comment covering the overall project and alternatives as well as specific project aspects. We held a public hearing on the project in October of 2015, inviting the general public to provide views, opinions, and information on the proposed project. As part of our historic resources consultation pursuant to Section 106 of the National Historic Preservation Act, we have held five consulting party meetings attended by representatives from over twenty consulting parties. We have maintained a publicly accessible webpage, where we have posted and continually updated information about the project. We emphasize that at no time during this process have we turned away input from consulting parties or the public.

Finally, Ms. Jewell suggests robust consultation with the Pamunkey Tribe. We have consulted with the Pamunkey and facilitated consultation between Dominion and the Tribe. The latest input from Chief Robert Gray confirms that all parties have participated in good faith and the consultation has been beneficial, resulting in mitigation measures that are agreeable to the tribe.

Regulations implementing the National Environmental Policy Act (NEPA) require an agency prepare an EIS for "major Federal actions significantly affecting the quality of the human environment." The decision on significance is based on both the context and intensity of the impact. While regulations do contemplate a deeper investigation will occur with an EIS, an EIS is not required in order for rigorous analysis to occur.

The Corps has taken a hard look at the alternatives to the proposed work, the resources being impacted, the nature of those impacts, and the proposed compensatory mitigation. While we agree that the resource potentially impacted are nationally important, we remain unconvinced that the intensity of the effects reaches a level of significance to the human environment.

I appreciate the input provided to date by the National Park Service (NPS) and the Department of the Interior (DOI). I look forward to continuing productive dialogue as we conclude this analysis. Should DOI or NPS desire further discussion, please consider having your agency staff contact me directly at 757-201-7601.

Sincerely,

A handwritten signature in black ink, appearing to read "J. E. Kelly". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jason E. Kelly  
Colonel, U.S. Army  
Commanding

cc:  
Office of the Assistant Secretary of the Army for Civil Works