

Governor Northam P.O. Box 1475 Richmond, VA 23218

Office of the Attorney General 202 North Ninth Street Richmond, Virginia 23219

Director Paylor P.O. Box 1105 Richmond, VA 23218

January 29, 2021

To the Honorable Governor Northam, Attorney General Herring, and Director David Paylor:

On behalf of 28 organizations representing a cumulative membership of over 70,000, we call on you to hold C4GT, LLC accountable for attempting to side-step the state's permitting requirements for a project that has failed to receive sufficient funding within the statutory timeframe to commence continuous construction.

C4GT's managing company, NOVI Energy, began the plant's permitting process in September 2016 and obtained all its local and state permits by 2018, without any input from affected residents. Since that time, no construction or building activity has been initiated. C4GT has stated that Virginia Natural Gas's Header Improvement Project (HIP) would bring fracked gas to the C4GT plant. However, on November 12, 2020, VNG announced that C4GT was not able to meet their contractual obligations to the project, resulting in SCC's dismissal of VNG's application leaving C4GT without a gas supply source. Then on December 3rd, 2020, C4GT claimed it began construction by pouring a concrete pad for a fire pump the very day its key air permit was to expire. This inflated claim, allowed by the Department of Environmental Quality (DEQ), has triggered C4GT's air permit No. 52588, to be automatically valid for the next 18 months. Considering C4GT applied for an extension for this permit on November 25th, a mere week before their notification of "continuous construction," demonstrates a deliberate abuse of the Commonwealth's regulatory system. Therefore, we challenge C4GT's actions and DEQ's willingness to accept these claims believing C4GT violates Virginia law under 9VAC5-80-1985.

According to 9VAC5-80-1985,

"A permit granted pursuant to this article shall become invalid if a program of *continuous* construction or modification is not commenced within 18 months from the date the permit is granted." (emphasis added)

It is clear C4GT's laying of a concrete pad on the day their air permit was to expire is not continuous construction as C4GT has failed to provide proof of secure funding despite the fact that this permit was initially issued almost 24 months ago. Additionally, DEQ has not taken into consideration that C4GT failed to prove its ability to secure reliable funding in dire market conditions brought about by the pandemic, nor adjusted their plans effectively relative to the state's legislative climate that sets severe limits on the fracked gas industry. These circumstances further highlight the illegitimacy behind C4GT's claims of "continuous construction," and puts into question DEQ's actions.

To uphold the integrity of the Commonwealth's regulatory systems and laws so as to serve the people's welfare and interest, we demand:

- 1. That Attorney General Herring provide a legal opinion on C4GT's claims that "laying down a concrete pad for a fire pump" while lacking evidence of sufficient funding and necessary fuel supply does not fulfill the definition in 9VAC5-80-198 of "continuous construction," thereby making DEQ's actions a grave misjudgment and C4GT's air permit no. 52588 void.
- 2. That Governor Northam demand the Virginia State Air Board and DEQ's Director David Paylor use their power under 9VAC5-89-1985(F) and 9VAC5-89-1985(H) to revoke C4GT's permits based on the fact their actions were not made in good faith, as the company knowingly misstated the nature of their construction endeavors. (i.e., that C4GT is continuously constructing, when it is in fact using a stop-gap measure)
- 3. That DEQ Director Paylor remedy DEQ's misjudgments by instructing the Virginia State Air Pollution Control Board to revoke C4GT's air permit no. 52588 immediately and require C4GT to reapply for a new permit that guarantees robust public outreach, a public hearing, and a public comment period, none of which was present at any step of their original application process.

As a reminder, the reason permits only allow for commencement of construction within 18 months from when the permit is granted is because past that point conditions change and projects need to be re-evaluated. Considering C4GT was intending, a moment before it commenced its stop-gap construction, to apply for a second extension on permit No. 52588, which was granted more than 24 months ago, the DEQ and relevant decision-makers must require C4GT to undergo a new air permit process. This will ensure the project would meet the most up-to-date technology and standards to mitigate pollution and allow for review and comment by the community members who would be most affected.

## Sincerely,

Concerned Citizens of Charles City County Food & Water Watch Chesapeake Climate Action Network ARTivism Virginia Friends of Buckingham Loudoun Climate Project Mothers Out Front - Virginia The Ecological Justice Initiative Virginia Interfaith Power & Light Sunrise Williamsburg Preserve Montgomery County VA
Protect Our Water Heritage Rights
Preserve Bent Mountain
Preserve Giles County
Preserve Salem
Mountain Lakes Preservation Alliance
Virginia Citizens Consumer Council
Indivisible Virginia
Sierra Club Virginia Chapter

The Route 5 Corridor Coalition
Richmond Interfaith Climate Justice
Southeast Care Coalition
Richmond Democratic Socialists of America
Richmond Interfaith Climate Justice
The Rural Project
Union Hill Freedmen Family Research Group
Richmond Democratic Socialists of America
Virginia Community Rights Network