

April 9, 2019

Brian Moynihan, CEO  
Bank of America  
Charlotte, North Carolina  
USA

Dear Mr. Moynihan,

On behalf of our millions of members, we call on Bank of America to refrain from any further financing of the Atlantic Coast Pipeline (ACP) and to urge other financiers to do the same. The ACP is economically and environmentally irresponsible; raises serious environmental justice, human rights, and climate crisis concerns; and does not build long term shareholder value for its investors.

As you know, the ACP – if completed – would be a 600-mile, 42 inch-diameter pipeline carrying fracked gas from the Marcellus Shale of West Virginia through Virginia to North Carolina. The devastation the pipeline would wreak on diverse communities, cultures, and ecosystems is untenable. In the face of diminishing demand, the decreasing cost of renewable energy, and the impact of methane gas on climate change, the need for a new gas pipeline is unjustifiable. As the cost of the ACP skyrockets and delays mount, Bank of America should not invest a single cent more in this scandal-plagued project.

**Dwindling demand and financial viability.** First announced in 2014, the project is two years behind schedule and substantially over budget. Duke Energy recently estimated the project cost at \$7.0-\$7.8 billion -- some one-third higher than the original \$5.1 billion -- with full operation pushed back to 2021. This cost inflation, which looks unlikely to be the final price tag should the project make it to completion, risks reducing returns on the project as regulators are likely to balk at passing the project's full costs onto ratepayers, leaving ACP investors holding the bill. The high cost of the project is exacerbated by the diminishing demand for gas in the destination markets. Analysis of Dominion's most recent long-term Integrated Resource Plan (IRP) concludes that four out of five modelled scenarios show no increase in gas consumption from 2019 through 2033.<sup>1</sup> The IRP was rejected by Virginia state regulators, in part for overstating projections of future electricity demand.<sup>2</sup> This comes despite the known tendency of both Duke and Dominion to overstate electricity demand forecasts. New gas plants in Duke's IRPs have been postponed as well due to a lack of projected need for additional capacity until after 2025.<sup>3</sup> Moreover, it can be expected that demand for fracked gas in Virginia and North Carolina will

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<sup>1</sup> Institute for Energy Economics and Analysis (IEEFA) and Oil Change International, The Vanishing Need for the Atlantic Coast Pipeline, Growing Risk That the Pipeline Will Not Be Able to Recover Costs From Ratepayers, January 2019. [http://ieefa.org/wp-content/uploads/2019/01/Atlantic-Coast-Pipeline\\_January-2019.pdf](http://ieefa.org/wp-content/uploads/2019/01/Atlantic-Coast-Pipeline_January-2019.pdf)

<sup>2</sup> Commonwealth of Virginia, State Corporation Commission, At Richmond, December 7, 2018. [www.southernenvironment.org/uploads/audio/PUR-2018-00065\\_-\\_Order.pdf](http://www.southernenvironment.org/uploads/audio/PUR-2018-00065_-_Order.pdf)

<sup>3</sup> IEEFA, January 2019, *op. cit.*

decrease further as renewable energy and storage technologies continue to rapidly decline in price and undercut the cost of running large gas-fired power plants.

**Legal and regulatory challenges.** The ACP is facing an onslaught of legal and regulatory challenges and losses. There have been multiple stays on key permits; in fact, according to Dominion Energy, all construction on the pipeline is currently stopped and may not re-start until fall 2019.<sup>4</sup> Environmental groups, Indigenous Peoples,<sup>5</sup> and others have brought at least nine court challenges to ACP permits and certifications, most of which are ongoing. These include a challenge to the project's Federal Energy Regulatory Commission (FERC) certificate. If successful, this case could leave the project without a permit to proceed, at significant loss to all investors.

**Climate and environmental devastation.** The ACP will require 38 miles of mountaintop removal within the Appalachian Mountain Range in West Virginia and Virginia.<sup>6</sup> Bank of America's financing of this pipeline violates the spirit, if not the letter, of its coal policy,<sup>7</sup> which states that it "will continue to reduce our exposure to coal mining companies that utilize MTR practices in Appalachia." While the ACP is a fracked gas pipeline rather than a coal operation, the impact on the mountain and surrounding environment is comparably damaging. Further, with a capacity of 1.5 billion cubic feet per day, the ACP will carry enough fracked gas to generate over 67 million metric tons of climate pollution per year, the equivalent to 20 average U.S. coal plants.<sup>8</sup>

If built, the pipeline will cross the Appalachian Trail and Blue Ridge Parkway, hundreds of rivers and wetlands, and national forests, including the Monongahela and George Washington National Forests – iconic places visited and cherished by tens of millions of people each year. Environmental effects from the ACP include harmful water quality impacts from pipeline construction and gas development, damage to farmland and forest land – including old-growth forests, habitat loss, fragmentation of wildlife, and loss of the recreational value of natural areas.<sup>9</sup>

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<sup>4</sup> Dominion Energy, Fourth quarter 2018 earnings call, February 1, 2019. [https://s2.q4cdn.com/510812146/files/doc\\_financials/2018/q4/new/2019-02-01-DE-IR-Q4-2018-earnings-call-slides-vTCII.pdf](https://s2.q4cdn.com/510812146/files/doc_financials/2018/q4/new/2019-02-01-DE-IR-Q4-2018-earnings-call-slides-vTCII.pdf)

<sup>5</sup> The National Congress of American Indians, Support for Meaningful Tribal Consultation in Accordance with Applicable Laws to Identify and Mitigate the Adverse Impacts of the Atlantic Coast Pipeline on Affected Indian Tribes, June 2018. [www.ncai.org/resources/resolutions/support-for-meaningful-tribal-consultation-in-accordance-with-applicable-laws-to-identify-and-mitigate-the-adverse-impacts-of-the-atlantic-coast-pipeline-on-affected-indian-tribes](http://www.ncai.org/resources/resolutions/support-for-meaningful-tribal-consultation-in-accordance-with-applicable-laws-to-identify-and-mitigate-the-adverse-impacts-of-the-atlantic-coast-pipeline-on-affected-indian-tribes)

<sup>6</sup> New Data: Atlantic Coast Pipeline Would Trigger Extensive Mountaintop Removal Fact Sheet, 2017. <https://chesapeakeclimate.org/wp/wp-content/uploads/2017/04/Fact-sheet-Mountaintop-Removal-to-Build-ACP.pdf>

<sup>7</sup> Bank of America, Coal Policy, n.d. [https://about.bankofamerica.com/assets/pdf/COAL\\_POLICY.pdf](https://about.bankofamerica.com/assets/pdf/COAL_POLICY.pdf)

<sup>8</sup> Oil Change International, The Atlantic Coast Pipeline: Greenhouse Gas Emission Briefing, February 2017. <http://priceofoil.org/2017/02/15/atlantic-coast-pipeline-greenhouse-gas-emissions-briefing/>

<sup>9</sup> Synapse Energy Economics, Atlantic Coast Pipeline Benefits Review, June 12, 2015. [www.abralliance.org/wp-content/uploads/Synapse\\_Report\\_ACP\\_June\\_2015.pdf](http://www.abralliance.org/wp-content/uploads/Synapse_Report_ACP_June_2015.pdf)

**Environmental racism, and threats to livelihoods and public health.** The ACP will disturb hundreds of farmlands and communities along its route, and will disproportionately harm poor, African-American, and Indigenous communities, many of whom have been excluded from important decision-making processes.<sup>10</sup> Thirty thousand Native peoples live in census tracts that FERC considers part of the project area in North Carolina. Compared to their statewide numbers, Native Americans are over-represented by a factor of ten along the North Carolina section of the pipeline route.<sup>11</sup> Further, there is grave concern about maintaining the integrity of historic artifacts, given the failure to include the four impacted North Carolina state-recognized Tribes in the Programmatic Agreement for historic preservation activities associated with ACP construction and operation. Additionally, a fracked gas compressor station, one of the largest ever if built, is set to be located in Union Hill, an African-American community of great historical and cultural significance in Buckingham County, Virginia. Living near pipelines and infrastructure like compressor stations has been documented to cause various health complications, including skin, gastrointestinal, respiratory, neurological, and psychological problems.<sup>12</sup>

As lead arranger and bookrunner for a loan to Atlantic Coast Pipeline, LLC,<sup>13</sup> and especially as a multinational corporation that calls North Carolina home, Bank of America has a special responsibility to drop its support for this reckless project. Therefore, ahead of Bank of America's annual general meeting (AGM) in Charlotte, we call on Bank of America to publicly commit to no further financing for the ACP, and to urge other investors to do the same. We would also like to request a meeting during the AGM to discuss the costs and impacts of the ACP.

Thank you for your consideration. We look forward to a prompt response.

Sincerely,

1% for Open Space  
350 Charlotte  
350 Massachusetts for a Better Future  
350 Seattle  
350 Triangle  
Alliance of Nurses for Healthy Environments  
Alliance to Protect the People and the Places We Love  
Amazon Watch  
Anthropocene Alliance

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<sup>10</sup> Ryan Emanuel, Flawed environmental justice analysis, Science Magazine Vol 357, Issue 6348, July 21, 2017. <http://science.sciencemag.org/content/357/6348/260.1>

<sup>11</sup> Emanuel, 2017, *op. cit.*

<sup>12</sup> Physicians for Social Responsibility, Too Dirty, Too Dangerous Report, 2017. [www.psr.org/wp-content/uploads/2018/05/too-dirty-too-dangerous.pdf](http://www.psr.org/wp-content/uploads/2018/05/too-dirty-too-dangerous.pdf)

<sup>13</sup> Oil Change International, Bank of America leads finance for Atlantic Coast Pipeline, April 18, 2018. [www.banktrack.org/article/bank\\_of\\_america\\_leads\\_finance\\_for\\_atlantic\\_coast\\_pipeline#](http://www.banktrack.org/article/bank_of_america_leads_finance_for_atlantic_coast_pipeline#)

Backbone Campaign  
Beaver County Marcellus Awareness Community  
Berriedale Farms  
Beyond Extreme Energy  
Breast Cancer Prevention Partners  
Bronx Climate Justice North  
Cape Fear River Watch  
Center for Biological Diversity  
Center for Coalfield Justice  
Center for International Environmental Law  
Center for Participatory Change  
Chatham Research Group  
Chesapeake Climate Action Network  
Christians for the Mountains  
Citizen's Committee for Flood Relief  
Citizens Coalition for a Safe Community  
Clean Air Carolina  
Climate Hawks Vote  
ClimateMama  
Concerned Citizens of Tillery  
Connecticut Coalition for Economic and Environmental Justice  
Crude Accountability  
Crystal Coast Waterkeeper  
Democracy Collaborative  
Divest Ed  
Divest, Invest, Protect  
Earth Ethics, Inc.  
Earth Guardians Inc.  
Earthworks  
EcoEquity  
Economos Institute, LLC  
Eight Rivers Council  
Elders Climate Action  
EnvironmentalLEE  
Environmental Finance Center West  
Food & Water Watch  
Fore River Residents Against the Compressor Station  
FracTracker Alliance  
Franciscan Action Network  
Friends of Nelson  
Friends of the Earth U.S.  
Good Stewards of Rockingham  
Green America  
Green Century Capital Management

Greenaction for Health and Environmental Justice  
GreenFaith  
Greenpeace  
Harrington Investments, Inc.  
Haw River Assembly  
Hip Hop Caucus  
Honor the Earth  
Inland Ocean Coalition  
Institute for Policy Studies  
Kentucky Conservation Committee  
Lewinsville Faith in Action  
Livelihoods Knowledge Exchange Network  
Mangrove Action Project  
Marcellus protest  
MN350  
Mothers Out Front  
Mountain Lakes Preservation Association  
Native Organizers Alliance  
Natural Resources Defense Council  
NC WARN  
New River Land Trust  
North Carolina Climate Solutions Coalition  
North Carolina Environmental Justice Network  
North Carolina Poor People's Campaign, Ecological Devastation Committee  
Northwest Watershed Institute  
Nuclear Information and Resource Service  
Ohio Valley Environmental Coalition  
Oil Change International  
Preserve Giles County  
Physicians for Social Responsibility Pennsylvania  
Protect Franklin Park  
Rachel Carson Council  
Rainforest Action Network  
RE Sources for Sustainable Communities  
Sane Energy Project  
Science and Environmental Health Network  
Seeding Sovereignty  
Sierra Club  
Sunflower Alliance  
Sustaining Way  
The Canary Coalition  
The Imani Group  
Triangle Women's International League for Peace and Freedom  
Trout Unlimited

United Labor Unions, Local 100  
Virginia Citizens Consumer Council  
West Virginia Interfaith Power and Light  
Women's Institute for Freedom of the Press  
Women's March Global  
West Virginia Citizen Action Group  
Zero Hour

cc: Kaj Jensen, Senior Vice President, Public Policy, Bank of America  
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