



Ohio Valley Environmental Coalition

Supporting Organized Voices and Empowered Communities Since 1987

P.O. 6753 Huntington, WV 25773-6753

304-522-0246 info@ohvec.org

ohvec.org

Who Really Stands to Profit from the Appalachian Storage Hub/Petrochemical Complex?

The proposed Appalachian Storage Hub is being touted as an economic “game changer” for the region, but in reality it will bring a slew of issues for our region, including human health impacts. Here is a list of some of the people who are positioning themselves to profit, at the expense of our health and safety.

The day after introducing the Appalachian Ethane Storage Hub Study Act of 2017 (the first bill in support of this proposed petrochemical hub), WV Senator Joe Manchin received a \$5,000 campaign contribution from the American Chemistry Council. Council members include Shell, ExxonMobil, Chevron, Saudi Basic Industries Corporation (SABIC), Dow Chemical, Monsanto, and other major petrochemical corporations. Other federal legislation relating to the storage hub is supported by the entire WV Congressional Delegation.

In a clear conflict of interest, the WV Secretary of Commerce, Woody Thrasher, signed an \$83.7 billion MOU (Memorandum of Understanding) regarding financial backing of the storage hub with a Chinese state-owned energy investment vehicle, even as he still owns a 70% stake in The Thrasher Group. The group has positioned itself as a contractor for oil and gas companies to cash in on Appalachia becoming a major petrochemical hub. The MOU signing ceremony, held in China, was overseen and witnessed by Chinese President Xi and President Trump. Both state and federal administrations still refuse to release the details of this MOU to the public. In March, in Wheeling, WV, the Thrasher Group sponsored a conference in support of the Appalachian Storage Hub. Thrasher Group’s CEO gave opening and closing remarks.

The Petrochemical Hub would provide a place for the glut of fracked gas liquids obtained from fracking in the Marcellus, Rogersville, and Utica Shale, and would incentivize a new wave of drilling in the region. This means more (mostly out-of-state) oil and gas companies will profit from increased fracking and pipeline construction, and more out-of-state workers would flood the region.

A WVU professor named Brian Anderson has lent scholarly and institutional legitimacy to this hub, using his position at WVU to put the university’s brand on the studies he’s championed. He also just happens to be a principal of a company, Appalachia Development Group, which is the primary LLC that entered into the \$83.7 billion MOU with the China Energy Investment Corp. for financing the hub.

The current president of WVU, E. Gordon Gee, lent his support to work being done by the university relating to the storage hub. Gee was once on the board of Massey Energy, the company overseen by CEO Don Blankenship, and known for the Upper Big Branch coal mine disaster that killed 29 miners.

* Most of the information here comes from Steve Horn’s DeSmog blog article titled “China Is Financing a Petrochemical Hub in Appalachia. Meet its Powerful Backers.” Read this article for more information: www.desmogblog.com/2018/02/06/fracking-appalachian-storage-hub-china