



Project Overview

As proposed, the MVP Southgate project is a natural gas pipeline system that spans approximately 72 miles from southern Virginia into central North Carolina – and as an interstate pipeline will be regulated by the Federal Energy Regulatory Commission (FERC). MVP Southgate will be developed, constructed, and owned by Mountain Valley Pipeline, LLC (Mountain Valley).

With a vast supply of natural gas from Marcellus and Utica shale production, the Mountain Valley Pipeline mainline will transport natural gas to markets in the Mid- and South-Atlantic regions of the United States. The MVP Southgate project, as proposed, will receive gas from the Mountain Valley Pipeline mainline in Pittsylvania County, Virginia and extend approximately 72 miles south to new delivery points in Rockingham and Alamance Counties, North Carolina. MVP Southgate would provide low-cost supply access to natural gas produced in the Marcellus and Utica shale regions – for service delivery to PSNC Energy customers, as well as existing and new end-user markets in southern Virginia and central North Carolina.

The pipeline will be regulated under the federal Natural Gas Act, which requires a Certificate of Public Convenience and Necessity from the FERC before construction can commence. As currently proposed, the underground pipeline will be 24 inches in diameter and will require approximately 50 feet of permanent easement, with up to 100 feet of temporary easement needed during construction, depending on conditions. In addition, as currently designed, the project would require two compressor stations, the first of which is anticipated to be located at the beginning of the project in Pittsylvania County, Virginia, on land owned by Mountain Valley; and second is proposed to be located near the East Tennessee interconnect near Eden, North Carolina.

The Planning and Development Process

Several commercial and engineering aspects must be completed before construction can begin on MVP Southgate. Commercial aspects include securing and confirming capacity commitments, and while the project has a capacity commitment from PSNC Energy, a wholly owned subsidiary of SCANA Corporation, as an anchor shipper, an Open Season was held to understand additional market interest. An Open Season provides all market participants, including natural gas producers, marketers, industrial users, and local distribution companies, an opportunity to access capacity on the pipeline. Additional market interest received during the Open Season may change the current project scope.

The engineering and environmental considerations include surveying and evaluating preliminary routing to help determine a final route with the least overall impact to landowners, historic and cultural resources, and the environment. An important step in the process is obtaining permission to access landowner property to conduct engineering and environmental surveys. At this stage, we are only seeking permission to access property – and the actual act of surveying will not begin until we receive permission. We may obtain landowner permissions for parcels that are not in the final route; however, a comprehensive evaluation is necessary to determine the route.

To-date, we are seeking landowner permissions in the following counties:

- **Virginia:** Pittsylvania
- **North Carolina:** Alamance and Rockingham

Once a preliminary route is determined, the environmental review process with the FERC will begin. This is referred to as the Pre-Filing Review, which provides for early identification and resolution of environmental issues and allows for direct interaction between FERC staff, community members, and other stakeholders. Once the Pre-Filing Review begins, a series of community open houses will be held along the proposed route corridor.

After the Pre-Filing Review is complete, Mountain Valley will file an application with the FERC for a Certificate of Public Convenience and Necessity. Construction cannot commence until the FERC issues this certificate, which will include the FERC's environmental analysis of the project.

Designing the Route

The proposed MVP Southgate route is being designed to avoid sensitive or protected areas when feasible; limit surface disturbance; and minimize the overall environmental footprint, as well as utilize as many existing gas and electric transmission corridors as possible. The MVP Southgate project team will work diligently with stakeholders, including landowners, community members, local officials, and state and federal agencies to identify the best possible route for the proposed pipeline. The currently proposed route avoids all federal and state parks and wildlife preserves.

Health, Safety, and Environment:

As the lead federal agency, the FERC will oversee the federal permitting process for MVP Southgate and will also coordinate with other federal, state, and local agencies during the environmental review process to identify and address potential environmental concerns.

- U.S. Department of Transportation statistics confirm that natural gas transmission pipelines are the safest form of energy transportation
- Construction and operation of natural gas transmission lines follow strict federal and state guidelines that minimize environmental disturbance
- Safety is a core value and number one priority for Mountain Valley
- Mountain Valley has a steadfast commitment to environmental protection and will conduct its business operation in a sustainable and environmentally responsible manner at all times

Community Benefits:

- Local communities can receive revenue from taxes paid on the pipeline and compressor station
- States can receive revenue from sales and use taxes paid during the construction of the project
- Potential employment opportunities for local residents during the construction phase of the project
- Increased activity and revenue for restaurants, hotels/motels, and retailers
- Natural gas supply diversity for PSNC Energy customers and other consumers in the region

Proposed Project Schedule

