



Project Overview

As proposed, the MVP Southgate project is a natural gas pipeline system that spans approximately 74 miles from southern Virginia to central North Carolina – and as an interstate pipeline will be regulated by the Federal Energy Regulatory Commission (FERC). Mountain Valley Pipeline, LLC, will construct and own the proposed MVP Southgate. EQM Midstream Partners will operate the pipeline and own the largest interest in the joint venture.

MVP Southgate will tie into the Mountain Valley Pipeline near Chatham, Virginia, and transport supplies of Marcellus and Utica natural gas to delivery points in Rockingham and Alamance counties in North Carolina for distribution to PSNC Energy's residential and commercial customers. The project is proposed to terminate adjacent to an existing interconnect facility in Alamance County. As stated in the formal application, Mountain Valley has secured a firm commitment from PSNC Energy for 300,000 dekatherms (300 million cubic feet) per day and continues to engage in discussion with other potential customers. The project's proposed route passes through a portion of the Southern Virginia Mega Site at Berry Hill, which is one of the largest business parks on the East Coast. As an open-access pipeline, the proposed pipeline also may provide additional access to other new and existing end users in proximity to the route.

The pipeline will be governed by the federal Natural Gas Act, which requires a Certificate of Public Convenience and Necessity from the FERC before construction can commence. As currently planned, the pipeline will be 24 inches in diameter for the first 31 miles, and 16 inches in diameter for the remaining 43 miles. The project will require approximately 50 feet of permanent easement, with up to an additional 50 feet of temporary easement during construction (for a total of up to 100 feet during

construction). As proposed, the project will require one compressor station, with a proposed location on land owned by Mountain Valley near Chatham, Virginia.

Project Timeline

On April 11, 2018, Mountain Valley Pipeline, LLC, announced the MVP Southgate project.

In May 2018, Mountain Valley requested – and received – permission to enter the FERC's pre-filing process. Through the next six months, the MVP Southgate project team engaged stakeholders; participated in extensive outreach efforts; performed important fieldwork; and conducted detailed engineering and construction analyses.

On Nov. 6, 2018, Mountain Valley filed a formal application with the FERC for approval to construct, own, and operate the MVP Southgate. The application requesting the FERC Certificate of Public Convenience and Necessity was received and the MVP Southgate project was issued Docket Number CP19-14.

The regulatory process allows for robust public participation, and the MVP Southgate team is eager to work with all stakeholders to inform development of the proposed project. Pending approval of a Certificate of Public Convenience and Necessity, construction is targeted to start in 2020. The project is targeted for completion and an in-service date in 2021.

Designing the Route

Engineering aspects have included surveying and evaluating various routes to help determine a proposed route with the least overall impact to landowners, cultural and historic resources, and the environment.

During the pre-filing review, which began in May 2018, Mountain Valley Pipeline, LLC, contracted with surveying professionals, who are licensed in the states in which work is being performed, to perform survey activities on its behalf for the MVP Southgate project. The MVP Southgate team also hosted open houses and participated in FERC scoping meetings as part of a comprehensive effort to encourage open discussion with community members, landowners, tribes and public agencies.

The proposed MVP Southgate route has been carefully designed to utilize existing gas and electric transmission corridors where possible, resulting in more than 50 percent of the proposed route co-located with those existing corridors. The proposed route also has been designed to avoid sensitive or protected areas where feasible, limit surface disturbance, address environmental justice concerns and minimize the overall environmental footprint. As part of the MVP Southgate project team's commitment to communities, the project team has considered a wide range of alternatives and variations to the proposed route, and made more than 1,000 route adjustments, the majority of which were in response to landowner requests, engineering considerations or the identification of sensitive areas. These adjustments are reflected in the current proposed route.

Counties along the proposed MVP Southgate route include:

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

Health, Safety, and Environment

The MVP Southgate project team respects the concerns and opinions of community members; we value each landowner's property; and we value the safety of our employees, contractors, and every person that lives in these communities. We want to work with everyone in the communities along the proposed route to make sure we're building this pipeline safely and responsibly, and that we're doing so in a way that has minimal impacts on their land and their daily lives while providing the affordable, clean-burning fuel needed to heat homes and fuel commercial operations.

According to the National Transportation Safety Board and the U.S. Department of Transportation, natural gas pipelines have the best safety record of any energy

delivery system in the United States. More than 20,000 miles of natural gas pipeline currently operate in Virginia, and more than 30,000 miles operate in North Carolina, according to the American Gas Association.

Mountain Valley takes tremendous precautions to ensure the long-term safety of our pipelines – and once the pipeline is completed and in operation, we will utilize sophisticated technology to monitor the pipeline, in real time, 24-hours-a-day and 7-days-a-week.

Mountain Valley believes safety is Priority No. 1. We have a steadfast commitment to environmental protection and will conduct our business operations in a sustainable and environmentally responsible manner at all times.

Economic Benefits for Our Communities

The proposed MVP Southgate is designed to carry short-term economic benefits associated with construction activity, and long-term economic benefits associated with the increased supply of an affordable, cleaner-burning fuel that is preferred by many employers. As a result, the project has earned the support of the Virginia and North Carolina chambers of commerce, the North Carolina Economic Development Association and other organizations.

- **Direct Spending:** With an estimated capital expense of \$468 million, the MVP Southgate project team anticipates spending \$68 million directly in Virginia, and \$113 million directly in North Carolina
- **Labor & Employment:** During peak employment, the MVP Southgate project team is expected to support 570 jobs in Virginia and 1,130 jobs in North Carolina, including direct, indirect and induced jobs
- **Tax Revenues:** A significant source of state and local tax revenues will be generated during the construction phase, with approximately \$4.1 million generated in Virginia, and \$6.3 million generated in North Carolina
- **Ad Valorem Taxes:** Once the MVP Southgate project is operational, localities along the route will continue to receive tax revenues – generating an estimated \$1.2 million in Virginia, and \$3.4 million in North Carolina