

IN THE PIPELINE

MVP SOUTHGATE NEWSLETTER
Volume 8 :: December 2020



Our project newsletter to stakeholders

We are pleased to provide you with the eighth newsletter for the MVP Southgate project as part of our effort to maintain communication with stakeholders throughout the regulatory process.

About MVP Southgate

The MVP Southgate project is a proposed interstate natural gas pipeline system that 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 residential and commercial customers.

The project requires one compressor station, with a proposed location near its start and on land owned by Mountain Valley near Chatham, Virginia. The MVP Southgate compressor station will be monitored 24/7 by an offsite system and will have remote devices with the ability to observe, control, and shut down operations in the event of an emergency. The pipeline will be 24 inches in diameter through Pittsylvania County, Virginia, and for the first 31 miles, and 16 inches in diameter for the remaining 44 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 an interstate pipeline project, MVP Southgate is governed by the federal Natural Gas Act and 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.

Moving forward

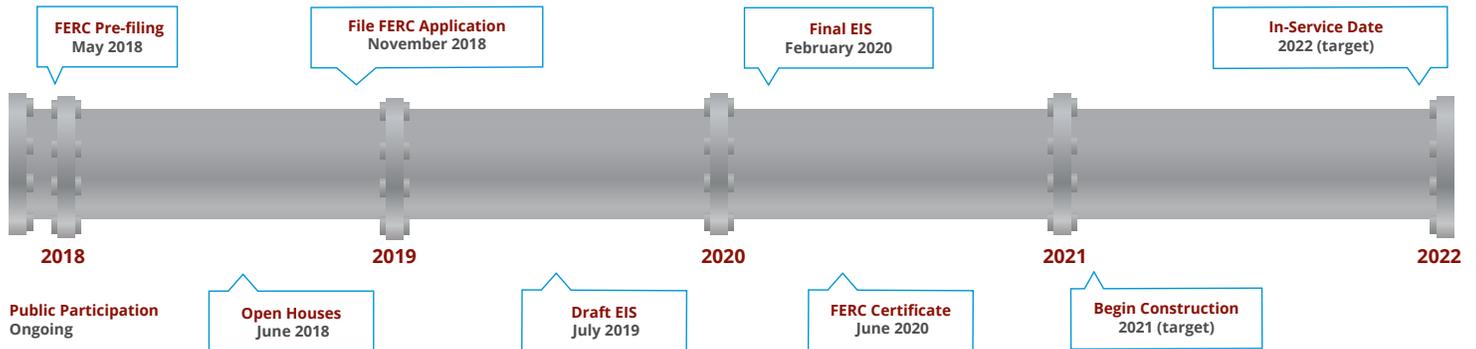
The MVP Southgate project continues to progress through federal and state regulatory processes. In February 2020, the FERC issued a Final Environmental Impact Statement that concluded the project could be built and operated safely and successfully. In June, the FERC concluded the project was in the public interest and issued a Certificate of Public Convenience and Necessity. The project team continues to work with other federal agencies to secure permits needed before construction can begin.

In Virginia, the project team filed an application for an air permit with the Virginia Department of Environmental Quality in September. The permit is needed for operation of the proposed compressor station, which would be near a larger compressor station that serves the Transco pipeline. The state agency will hold a public hearing on the application, which is expected to take place in the first quarter of 2021.

In North Carolina, MVP Southgate has filed an administrative appeal of the state Department of Environmental Quality's decision not to issue a Water Quality Certification permit despite the state hearing officer's determination that the

project, as proposed, would not violate any applicable state water-quality standard. The project team has also filed for relief in the U.S. Court of Appeals for the Fourth Circuit. The MVP Southgate project is not expected to have any permanent impact on water quality, nor would it result in the permanent loss of any wetlands, in North Carolina.

Project schedule



Economic benefits

The MVP Southgate project is designed to create short- and long-term economic benefits for the region. Dominion Energy North Carolina – formerly known as PSNC Energy – is a local natural gas distribution company in central North Carolina, and it has added 100,000 new customers in the past decade with no new supply source. The company has demonstrated that MVP Southgate is needed, and the project offers the best option to meet residential and business demand for natural gas safely, reliably and affordably.

The U.S. has an abundance of natural gas, and this fuel source has proven vital to the nation's efforts to reduce carbon emissions and achieve U.S. energy independence. It also has helped drive economic growth by saving consumers' money; heating a home with natural gas costs about half as much as using propane.

- **1,200 construction jobs** – 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.
- **\$10.4 million in construction-related tax revenue** – 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.
- **\$4.6 million in new annual 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.

Compressor stations

What is a compressor station?

A compressor station is a natural gas facility located along a pipeline route that compresses gas in the line to increase pressure, allowing it to flow through the line toward its intended destination. Friction and elevation changes induce pressure drop on the natural gas traveling in a pipeline and must be periodically compressed to ensure consistent pressure and efficient delivery.

Where will MVP Southgate's compressor station be located?

MVP Southgate's Lambert Compressor Station will be built on land owned by Mountain Valley and near an existing compressor station at Transco Village, approximately two miles east of the Chatham town limit in Virginia's Pittsylvania County.

How much land will be affected?

Construction of the compressor station will affect 18.6 acres of land owned by Mountain Valley. The facility will require 3.8 acres for operations, and it is expected to include a compressor building, electrical control building, office, and air compressor building. A chain linked security fence will surround the perimeter of the station site upon completion of construction.

How big will this facility be?

The compressor station is considerably smaller than the existing compressor station in the area. As proposed, it will include two gas-driven turbines, providing approximately 28,915 nominal hp of compression. This level of power is equivalent to about a quarter of one jet engine. The station also will incorporate equipment, controls and other features, including catalytic converter technology, to reduce emissions to levels classified by federal and state regulators as minor.

Will this facility be busy or noisy?

This facility will be monitored remotely 24 hours a day, 7 days per week, and one or two employees will likely report to the site daily. A small number of workers may periodically visit the facility to perform maintenance. At the nearest noise-sensitive area, which is slightly more than a half mile away, the sound of the facility's operation will be minor and comparable to the sound of a refrigerator humming.





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Happy Holidays

Your feedback is important to us

For more information on our project

Access recent project filings on the FERC website at

<https://elibrary.ferc.gov/eLibrary/search>

and use the docket number **CP19-14**

Contact the MVP Southgate project team

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