



December 29, 2023

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

RE: Mountain Valley Pipeline, LLC
Southgate Project
Docket No. CP19-14-000
Project Update

Dear Secretary Bose:

On June 18, 2020, the Federal Energy Regulatory Commission (“Commission”) issued an order authorizing Mountain Valley Pipeline, LLC (“Mountain Valley”) to construct, own, and operate the Southgate Project (“Southgate Project”).¹ The Southgate Project would extend approximately 75 miles from the terminus of the Mountain Valley Pipeline in Pittsylvania County, Virginia to new delivery points in Rockingham and Alamance Counties, North Carolina and provide up to 375,000 dekatherms per day of firm transportation service.² The project was supported by a long-term, firm precedent agreement with Public Service Company of North Carolina, Inc. (“PSNC”) for 300,000 dekatherms per day of firm transportation service.³ On June 15, 2023, Mountain Valley requested an extension of time, until June 18, 2026, to construct the Southgate Project, which the Commission granted on December 19, 2023.⁴

In late December, Mountain Valley entered into precedent agreements with PSNC and another investment grade utility customer. These precedent agreements contemplate a redesigned project (in lieu of the original project). The redesigned project would extend approximately 31 miles from the terminus of the Mountain Valley Pipeline in Pittsylvania County, Virginia to planned new delivery points in Rockingham County, North Carolina using 30-inch diameter pipe.⁵ The revised project would include substantially fewer water crossings and would not require a new compressor station. The new precedent agreements collectively provide for 550,000 dekatherms per day of firm capacity commitments and are each for 20-year terms (subject to two potential five-year extensions). The redesigned project is estimated to cost a total of approximately \$370 million, excluding allowance for funds used during construction and certain costs incurred for purposes of the original project. The targeted completion timing for the project is June 2028.

¹ *Mountain Valley Pipeline, LLC*, 171 FERC ¶ 61,232 (2020), *order on reh’g*, 172 FERC ¶ 61,261 (2020), *aff’d sub. nom.*, *Sierra Club, et al. v. FERC*, 38 F.4th 220 (D.C. Cir. 2022) (“Certificate Order”).

² Certificate Order at 1.

³ *Id.* at P 29.

⁴ *Mountain Valley Pipeline, LLC*, 185 FERC ¶ 61,208 (2023).

⁵ The redesigned project, like the original project, will serve the increasing need for natural gas in the Southeast; an enduring need recently confirmed by the United States Congress in passing the Fiscal Responsibility Act of 2023. Fiscal Responsibility Act of 2023, H.R.3746, 118th Cong. § 324(b) (2023).

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Mountain Valley will finalize the scope and timeframe of the redesigned project after it conducts an open season and executes any additional agreements for firm capacity. Mountain Valley is evaluating the permitting and regulatory roadmap for the project, including requesting an updated completion due date, and will provide additional information to the Commission and other applicable permitting agencies as it continues with project development.

If you have any questions, please do not hesitate to contact me at (412) 553-5786 or meggerding@equitransmidstream.com. Thank you.

Respectfully submitted,

MOUNTAIN VALLEY PIPELINE, LLC

by and through its operator,

EQM Gathering OPCO, LLC

By: 

Matthew Eggerding

Deputy General Counsel