

MVP Southgate Project :: Myth vs. Fact

As proposed, the MVP Southgate project is a natural gas pipeline system that spans approximately 75 miles from southern Virginia into central North Carolina – and as an interstate pipeline will be regulated by the Federal Energy Regulatory Commission (FERC). The MVP Southgate project will be developed, constructed, and owned by Mountain Valley Pipeline, LLC (Mountain Valley).

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 pipeline will be 24 and 16 inches in diameter and will require approximately 50 feet of permanent easement, with up to 50 feet of additional temporary easement during construction, depending on conditions.

In addition, the current project design will require one compressor station, which is planned at the beginning of the project in Pittsylvania County, Virginia, on land owned by Mountain Valley.

Myth :: Pipeline construction will contaminate drinking water supplies.

Fact :: As proposed, the trench required for the MVP Southgate project would be approximately 5 to 7 feet deep, which is far above water wells and aquifers. The MVP Southgate project team will implement best practices for erosion and sediment controls and stormwater management measures. Additionally, the MVP Southgate project team will offer to do pre- and postconstruction well testing, as well as establish a complaint resolution process. **Myth ::** The MVP Southgate pipeline will transport oil and liquid gasoline.

Fact :: The MVP Southgate project will transport natural gas. As part of the regulatory approval process, the FERC grants a certificate and states that the certificate and its associated rights may only be used for the transportation of natural gas through the approved facilities.

Myth :: MVP Southgate could easily expand or add more compressor stations once it is in-service. Fact :: If market demand supported certain changes to the project after receiving a certificate from FERC, the proposed changes, such as adding a compressor station, would trigger another FERC-regulated review process. The FERC would decide whether to approve any change. There currently are no plans to add compressor stations or extend the approximately 74-mile proposed route.

Myth :: The regulatory review process by the Federal Energy Regulatory Commission is just a "rubber stamp" for energy infrastructure projects.

Fact :: The FERC application and review process is a significant regulatory undertaking that involves cooperation, analysis, and evaluation by multiple state and federal agencies. The process involves highly technical and scientific analyses, as well as an abundance of public engagement. Before construction can begin, Mountain Valley must demonstrate the project meets the criteria necessary for issuance of a Certificate of Public Convenience and Necessity from the FERC. Based on MVP Southgate's proposed schedule, the FERC regulatory review process is expected to take close to 18 months before a decision is made regarding any issuance of the Certificate. **Myth ::** Landowners who negotiate a right-of-way easement agreement for the MVP Southgate project would be financially liable for maintenance and repair of the pipeline that is on their land.

Fact :: Landowners would not be responsible or financially liable for any maintenance or pipeline-related work for MVP Southgate. If, however, a landowner damages the pipeline by engaging in activities that are expressly prohibited in their easement agreement, the landowner could be financially responsible for the damage he/she caused.

Myth :: If landowners refuse property access for survey work, the MVP Southgate project cannot be constructed. Fact :: Survey work is one of the first and most critical steps in the pipeline planning and development process. Surveying provides the team with an opportunity to learn from the landowner and gain a full understanding of a parcel's unique cultural, historical, and/or environmental features. This process is designed to benefit the landowner by providing them with an opportunity to make requests regarding possible adjustments to the proposed route. Additionally, survey data will provide the project team with the detailed information necessary to plan and design the best possible route.

It's important to understand that landowners do not surrender any rights by granting access to their property for survey activity – and surveying does not guarantee or indicate that the pipeline will be constructed. Because, however, surveying activities are critical to the planning of any pipeline infrastructure project, under state law the MVP Southgate project team's licensed contractor is permitted to conduct survey work. We want to work with landowners in order to perform this necessary work, but as a last resort may seek court assistance to do so should that be necessary.

Myth :: Doyle Land Services, an MVP Southgate contractor, is violating North Carolina state law by performing survey work without a license. Fact :: Doyle Land Services is not performing survey work for the MVP Southgate project. Doyle is contacting landowners to request property access for survey activity, which is being performed by a separate contractor, TRC Engineers Inc. Doyle representatives often will be on the property while survey work is being conducted in order to answer any questions the landowner may have. **Myth ::** The MVP Southgate pipeline will transport gas for export overseas.

Fact :: MVP Southgate intends to 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. PSNC Energy, a local distribution company, is the anchor shipper on the MVP Southgate project and will use the lower-cost natural gas to serve homes and businesses in North Carolina. In addition to being a long distance from the coast and longer to the nearest LNG export facility, in order for MVP Southgate to export natural gas, a separate Section 3 authorization would have to be filed with the FERC and other agencies, and there are no plans to do so.

Myth :: The MVP Southgate project is part of the Atlantic Coast Pipeline.

Fact :: The Atlantic Coast Pipeline is a separate and unrelated project owned by different investors. The MVP Southgate project is being constructed by Mountain Valley Pipeline, LLC. The project is a private joint venture led by EQM Midstream Partners, LP and NextEra US Gas Assets, LLC.

- - -

The Mountain Valley joing venture also is currently constructing the Mountain Valley Pipeline (MVP), which is a separate natural gas infrastructure project that is routed 303 miles through West Virginia and Virginia. The MVP project underwent FERC regulatory review, under a separate FERC docket number, for more than three years before receiving its Certificate of Public Convenience and Necessity in October 2017.