



Published on Equitrans Midstream Investor Center (<https://ir.equitransmidstream.com/news/news-archives/default.aspx>) on 7/12/2021

Mountain Valley Pipeline Announces Plan to Offset Carbon Impacts

Release Date:
7/12/2021

CANONSBURG, Pa.--(BUSINESS WIRE)-- Mountain Valley Pipeline, LLC (Mountain Valley), today announced plans that would make it one of the first interstate natural gas transmission pipelines to acquire carbon offsets for its operational emissions. Spanning approximately 303 miles across West Virginia and Virginia, Mountain Valley Pipeline (MVP) was designed to provide cost-effective access to natural gas for use by local distribution companies, industrial users, and power generation facilities in the growing demand markets of the mid-Atlantic and Southeast regions of the United States. With total project work largely complete, MVP is awaiting approval for the remaining construction permits and anticipates utilizing up to 4,000 workers, of which nearly 90% would be represented by union labor, to complete construction and finalize restoration of the right-of-way.

"We understand the sensitivities that surround the blending of large-scale infrastructure projects with environmental protection," said Diana Charletta, president and chief operating officer of Equitrans Midstream Corporation, operator of MVP. "Equitrans Midstream is committed to aggressively pursuing climate change mitigation and adaptation while also balancing the immediate and increasing need for energy in our country. Today's announcement represents our team's latest effort to reduce industry methane emissions and achieve our corporate goal of Net Zero Carbon by 2050."

Under the plan, Mountain Valley would purchase carbon offsets to make MVP's operational emissions carbon neutral for the first 10 years of service. These emissions are often referred to as Scope 1 and Scope 2 emissions and include carbon dioxide from engines used to drive compressor stations; methane released during operation; and maintenance of the pipeline, as well as carbon dioxide resulting from generation of purchased electricity. Verified by independent auditors, the offsets are measured in metric tons of carbon-dioxide equivalent and are an important tool for reducing emissions, while balancing the public need for natural gas as an affordable, reliable energy source.

The cornerstone of this plan includes a Virginia methane abatement project, by which Mountain Valley would purchase carbon offsets that are expected to be equivalent to 90% of the greenhouse gas emissions associated with MVP's operations over a 10-year period. MVP is also pursuing additional greenhouse gas abatement projects in West Virginia, including a substantial effort to address abandoned and orphaned gas wells that are expected to achieve carbon offsets of an additional 10% or more.

Once MVP is placed in-service, Mountain Valley expects to purchase more than \$150 million of carbon offsets during its initial 10 years of operations. Through an agreement with a subsidiary of NextEra Energy Resources, the world's largest generator of

renewable energy from the wind and sun, these carbon offsets will be sourced through a methane abatement project in Virginia that is expected to be the largest operating coal mine methane abatement project in the world when it reaches full production in 2023.

The methane abatement project, located at a mine in southwest Virginia near the West Virginia border, will be constructed in phases, with the first phase anticipated to come online in the summer of 2022 and phase two in the spring of 2023. Current mining operations at this facility vent allowable emissions of methane into the atmosphere. The methane abatement project will use an onsite regenerative thermal oxidizer, which will capture methane from the mine and convert it into carbon dioxide and water vapor to significantly reduce climate impact. Upon completion, the Virginia methane abatement project is expected to reduce statewide underground coal mining emissions by approximately 25%.

“Once completed, the methane abatement project is expected to be the largest of its kind in the world,” said Matt Schafer, vice president, Interstate Pipelines, for NextEra Energy Resources. “MVP’s methane abatement plans will bring significant environmental benefits to the Commonwealth of Virginia and the state of West Virginia. Aside from the construction jobs needed to complete the final portion of MVP, most of which we expect to be union jobs, we are also thrilled that our methane abatement project will create additional construction jobs for the region.”

The carbon credits will be verified annually and registered with the nonprofit American Carbon Registry, the first private voluntary greenhouse gas registry in the world. This annual verification and registration will assure compliance with California Air Resources Board standards, which are widely regarded as the most rigorous offset standards in the market today.

In May 2021, the United Nations (UN) released a report on the benefits and costs of mitigating methane emissions.¹ The UN urged quick action to reduce global methane emissions stating that “fast and ambitious methane mitigation is one of the best strategies available today to deliver immediate and long-lasting multiple benefits for climate, agriculture, human, and ecosystem health.” Coal mine methane management was cited in the report as one of many strategies utilized to reduce methane emissions.

Upon full implementation of its carbon offset plan, MVP would become one of the nation’s first, large-scale, interstate natural gas transmission pipelines to achieve carbon neutrality for operational emissions. Mountain Valley continues to expand its environmental stewardship and conservation efforts in Virginia and West Virginia and is actively exploring additional strategies for reducing greenhouse gas emissions and protecting sensitive resources, while simultaneously meeting our nation’s critical energy needs.

About Mountain Valley Pipeline

The Mountain Valley Pipeline (MVP) is a proposed underground, interstate natural gas pipeline system that spans approximately 303 miles from northwestern West Virginia to southern Virginia. Subject to approval and regulatory oversight by the Federal Energy Regulatory Commission, the MVP will be constructed and owned by Mountain Valley Pipeline, LLC – a joint venture of Equitrans Midstream Corporation; NextEra Capital Holdings, Inc.; Con Edison Transmission, Inc.; WGL Sustainable Energy LLC; and RGC Midstream, LLC. The MVP was designed to transport clean-burning natural gas from the prolific Marcellus and Utica shale regions to the growing demand markets in the Mid-Atlantic and Southeast areas of the United States. Equitrans Midstream, primary interest owner, will operate the pipeline. From planning and development to construction and in-service operations – MVP is dedicated to the

safety of its communities, employees, and contractors, and to the preservation and protection of the environment.

Visit www.mountainvalleypipeline.info

Cautionary Statements

Disclosures in this news release contain certain forward-looking statements that do not relate strictly to historical or current facts and are forward looking. Without limiting the generality of the foregoing, forward-looking statements contained in this news release specifically include the expectations of the anticipated timing for completing and bringing to full production the methane abatement project discussed in this news release and ultimate size and scope of such project; the ability of the methane abatement project to generate carbon credits; the progress on construction of the Mountain Valley Pipeline (MVP) and anticipated timing for, and likelihood of, resuming construction activities and completing the MVP; the amount of carbon credits ultimately acquired for purposes of the MVP and sources therefor and duration of the period for which carbon credits are acquired; the ability of Mountain Valley Pipeline, LLC to source offsets other than from the methane abatement project; employment statistics; the ability of Equitrans Midstream Corporation to achieve its goals of mitigating methane emissions and Net Zero Carbon by 2050; the ultimate amount of statewide underground coal mine emissions reduced as a result of carbon offsets purchased from the methane abatement project and the realization of any other environmental benefits; and Mountain Valley Pipeline, LLC's efforts related to conservation and environmental protection.

The forward-looking statements included in this news release are subject to risks and uncertainties that could cause actual results to differ materially from projected results. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Mountain Valley Pipeline, LLC has based these forward-looking statements on current expectations and assumptions about future events. While Mountain Valley Pipeline, LLC considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory, and other risks and uncertainties, most of which are difficult to predict and are beyond its control. The risks and uncertainties that may affect the operations, performance, and results of Mountain Valley Pipeline, LLC and the methane abatement project and forward-looking statements include, but are not limited to:

The respective business, financial condition, results of operations and prospects for Mountain Valley Pipeline, LLC and the methane abatement project could suffer if Mountain Valley Pipeline, LLC or the methane abatement project developer, as applicable, do not proceed with projects under development or are unable to complete the construction of, or capital improvements to, their respective facilities and assets on schedule or within budget.

The ability to complete construction of, and capital improvements to, facilities on schedule and within budget may be adversely affected by escalations in costs for materials and labor and regulatory compliance, inability to obtain or renew necessary licenses, rights-of-way, permits or other approvals on acceptable terms or on schedule, disputes involving contractors, labor organizations, land owners, governmental entities, environmental groups, Native American and aboriginal groups, and other third parties, negative publicity, transmission interconnection issues, adverse weather conditions and other factors. Mountain Valley Pipeline, LLC may face risks related to project siting, financing, construction, permitting, governmental approvals and the negotiation of project development

agreements that may impede its development and operating activities.

Mountain Valley Pipeline, LLC's gas infrastructure facilities and other facilities are subject to many operational risks. Operational risks could result in, among other things, lost revenues due to prolonged outages, increased expenses due to monetary penalties or fines for compliance failures, liability to third parties for property and personal injury damage, a failure to perform under applicable sales agreements and associated loss of revenues from terminated agreements or liability for liquidated damages under continuing agreements. The consequences of these risks could have a material adverse effect on Mountain Valley Pipeline, LLC's business, financial condition, results of operations and prospects. The methane abatement project is similarly subject to operational risks which could affect its ability to generate (or timing for generating) carbon credits.

Uncertainties and risks inherent in operating and maintaining Mountain Valley Pipeline, LLC's facilities and the methane abatement project include, but are not limited to, risks associated with facility start-up operations, such as whether the facilities will achieve projected operating performance on schedule and otherwise as planned.

Mountain Valley Pipeline, LLC's and the methane abatement project's respective business, financial condition, results of operations and prospects can be materially adversely affected by weather conditions, including, but not limited to, the impact of severe weather, as well as terrorism (or threats thereof) and catastrophic events resulting from terrorism, cyber-attacks or sabotage.

Source: Equitrans Midstream Corporation

1 Global Methane Assessment: Benefits and Costs of Mitigating Methane Emissions, May 6, 2021, Available at <https://www.unep.org/resources/report/global-methane-assessment-benefits-and-costs-mitigating-methane-emissions>

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Source: Equitrans Midstream Corporation