Congress of the United States

Washington, DC 20515

January 19, 2024

Ms. Debbie-Anne Reese Acting Secretary Federal Energy Regulatory Commission 888 First Street NE Washington, DC 20426

RE: Redesigned Southgate Project Mountain Valley Pipeline, LLC FERC Docket No. CP19-14-000 and No. CP19-14-002

Dear Acting Secretary Reese,

We write to urge the Federal Energy Regulatory Commission to require a new certificate application from Mountain Valley Pipeline, LLC ("Mountain Valley") for its "redesigned" Southgate Project which was made public in a filing with the Securities and Exchange Commission and in a <u>letter</u> on December 29, 2023. We represent landowners and communities that have serious concerns about the pipeline's harms to the environment, climate, and consumers. As we explain below, the changes Mountain Valley proposes are substantial and go to the heart of the Commission's prior public interest analysis. Fairness and the National Environmental Policy Act require that the Commission affords our constituents a robust and transparent review process for this new project.

In 2020, the Commission authorized Mountain Valley to construct and operate a new, 75-mile transmission pipeline between Pittsylvania County, Virginia and Rockingham County and Alamance County, North Carolina that would deliver up to 375,000 dekatherms of gas a day. Called the Southgate Project, its purpose was to provide firm transportation service to Dominion Energy North Carolina, a gas distribution utility. Dominion was the pipeline's sole customer, and it contracted for eighty percent of the available capacity (300,000 dekatherms per day) to serve its residential, commercial, and industrial gas customers. The Commission accepted the contract with Dominion as evidence of market demand.

Just ten days after the Commission extended the construction window for the original Pipeline certificate of public convenience and necessity, Mountain Valley abruptly announced that it had "redesigned" the Southgate Project on December 29, 2023. The new pipeline would be shorter but have a larger diameter, with a capacity almost fifty percent larger (550,000 dekatherms per day). In addition to serving the Dominion gas distribution utility, it would also serve an "investment grade utility customer." Mountain Valley is most likely referring to Duke Energy, an electric utility that plans to build a new combined-cycle power plant near Roxboro, North Carolina. Earlier in 2023, several Duke Energy utilities supported an extension of time to build the original Southgate Project, arguing to the Commission that they needed additional pipeline capacity to run gas-fired power plants even though they were not customers of the pipeline at the time.

Regardless of the specific customer, the bottom line is that the redesigned Southgate Project will deliver a substantially greater volume of gas for a different purpose than the Commission approved in 2020. And even though it will be shorter and no longer includes a compressor station that had been denied a permit due to significant environmental justice concerns, the increased capacity of the pipeline will mean a substantial increase in downstream greenhouse gas emissions. These changes are significant, and the Commission's prior public interest analysis for the Southgate Project is now outdated.

For these reasons, we believe that Mountain Valley's redesigned Southgate Project goes beyond a set of modest changes to an existing certificate—it is a new pipeline, one with a different purpose and different environmental impacts, including an increased contribution to the climate crisis. In addition, landowners along the originally proposed 75-mile route are currently vulnerable to Mountain Valley's exercise of eminent domain power for components of a project that Mountain Valley no longer intends to build. Accordingly, we urge the Commission to rescind the extension order granted on December 19, 2023. We also urge the Commission to require the company to apply for a new certificate of public convenience and necessity.

Thank you for your attention to this important issue. We look forward to your prompt response.

Sincerely,

Member of Congress

Member of Congress

Valerie P. Foushee Member of Congress

Jennifer L. McClellan Member of Congress