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Mountain Valley pipeline delayed as costs rise to \$6.6B

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The Mountain Valley natural gas pipeline has been delayed again, with developers pushing the conduit's targeted in-service date into 2023.

Equitrans Midstream Corp., which intends to operate the pipeline, said it is eyeing a "full in-service date during the second half of 2023," according to the company's first quarter 2022 results. The delay is only the latest for the unfinished 304-mile pipeline, whose costs have also steadily grown. Originally estimated to cost between \$3 billion and \$3.5 billion, the project is now estimated to cost \$6.6 billion, up from a previous estimate of \$6.2 billion.

In February, Equitrans gave up on a summer 2022 start date after federal approvals for the project were struck down by the 4th U.S. Circuit Court of Appeals (*Energywire*, Feb. 22). Equitrans has a roughly 48 percent ownership interest in the project, which received its original certificate from the Federal Energy Regulatory Commission in late 2017.

The company said yesterday that the "best path forward for [Mountain Valley's] completion is to pursue new permits," according to a news release.

"While we continue to believe that the Fourth Circuit Court's opinions related to MVP's forest crossing permit and Biological Opinion were wrong and represent a significant departure from traditional judicial deference, we are confident the agencies can and will produce even more comprehensive documentation to address the court's concerns," Equitrans said, using an abbreviation for the project.

Project opponents yesterday said it's unsurprising that Mountain Valley has been delayed again, with some deeming it a "dying project."

Mountain Valley "must admit its final defeat immediately, rather than continuing to lie and cheat, and waste the precious time we have to address the climate crisis," Roberta Bondurant, co-chair of the Protect Our Water, Heritage, Rights coalition, said in a statement.

Equitrans executives, however, noted support for the project from lawmakers including West Virginia Sens. Shelley Moore Capito (R) and Joe Manchin (D). Manchin has said that by bringing more gas online domestically, more liquefied natural gas could be exported to allies overseas.

Equitrans executives said they're confident that the new in-service target gives enough time for "permit re-issuance" and remaining construction.

On an earnings call yesterday, Equitrans CEO Thomas Karam said the company is pleased that "natural gas has entered the national dialogue in a positive way," adding that it's clear that U.S. gas reserves "must be developed and transported to meet the world's increasing demand for reliable energy."

"As many of the producers have been saying, we have the ability and the resources to increase our production so that we can help accelerate the rest of the world to reduce their emissions and at the same time we can maintain reliability, energy security, and national security for the residents of this country," Karam said.

Karam yesterday also cheered a <u>decision</u> by FERC last month to approve Mountain Valley's request to change the crossing method for roughly 180 bodies of water and wetlands along its route (<u>*Energywire*</u>, April 11).

The project is designed to transport 2 billion cubic feet per day of natural gas and would run from West Virginia to southern Virginia.

Natalie Cox, a Mountain Valley spokesperson, said the increase in the project's total cost —from a \$6.2 billion estimate last year to \$6.6 billion today — is mainly related to construction delays and ongoing maintenance of the pipeline's right of way, which she said "is necessary to ensure environmental compliance and protection." Total project work on Mountain Valley is roughly 94 percent complete, Cox added.

Asked about Mountain Valley, a White House spokesperson directed E&E News to the Justice Department, citing litigation around the project.

Broadly speaking, the White House spokesperson said the Biden administration believes infrastructure projects, including pipelines, should go through "appropriate and required" environmental reviews and permitting processes and should be "considered in close consultation with relevant stakeholders."

Last month, in an effort organized by the Virginia League of Conservation Voters, 17 state lawmakers from Virginia wrote to Democratic Virginia Sens. <u>Tim Kaine</u> and <u>Mark Warner</u> in opposition to the pipeline.

"MVP is a non-viable solution for current energy concerns, and should be recognized as an environmental catastrophe with no certainty of completion," they wrote.

Yesterday, a Kaine spokesperson said the senator has "consistently pushed for a fairer and more transparent" pipeline permitting process.

When asked about the lawmakers' letters, Cox, the Mountain Valley spokesperson, said the pipeline is "being recognized as a critical infrastructure project."