

ECONOMIC BENEFITS OF THE MVP PROJECT TO GREENBRIER COUNTY

Introduction

The proposed Mountain Valley Pipeline (MVP) project is a natural gas pipeline that would span approximately 300 miles from the north of West Virginia to the south of Virginia. In West Virginia, it would pass through eleven counties – Wetzel, Harrison, Doddridge, Lewis, Braxton, Webster, Nicholas, Greenbrier, Fayette, Summers, and Monroe. The following describes benefits to West Virginia and Greenbrier County from construction spending, ad valorem taxes, and direct use of natural gas.

Construction Benefits

The MVP project developers are expected to spend over \$811 million on West Virginia-based labor, goods, and services from 2015 to 2018 to support construction on the project. This direct spending would add \$594 million in cumulative gross regional product to West Virginia during that period and up to 4,500 jobs in 2017 and 2018 during the peak of construction. With its established manufacturing base, Greenbrier County could contribute labor and other resources to the construction effort.

Pipeline Operation Benefits

Ongoing operation of the pipeline would support a total of 54 jobs across the state with average annual wages and benefits of \$65,000.

Ad Valorem Tax Benefits

The MVP project could generate up to \$1.7 million in annual county ad valorem taxes (property taxes) once the pipeline is in service.

Direct-Use Benefits

Residential, Commercial, and Municipal

While natural gas generally is available in the major towns in the county, Greenbrier's residents use primarily electricity (47%) for home heating with only 20% using natural gas. This large discrepancy presents a potentially large savings opportunity for the residential, commercial, and municipal sectors by switching to natural gas. In 2014, delivered gas prices were less than half the cost of delivered electricity prices. The MVP project could help enable switching and provide additional supplies to service these sectors.

Manufacturing

The manufacturing sector employs around 800 people or 6% of the workforce in the county. It is an important sector as average annual wages are 23% higher than the average wage in the county. Major employers include ABB and Mullican Flooring. Providing additional supply to county manufacturers via MVP would help ensure reliable access to a low-cost fuel source. Increased supply also would provide opportunities for manufacturing expansions.

Transportation

Fuel switching in municipal and private vehicle fleets presents a sizable savings opportunity to the community. There are estimated to be approximately 170 school buses, other school vehicles, solid waste disposal trucks, and county vehicles, which if converted from gasoline and diesel, would yield approximately \$60,000 in annual savings. These savings could increase significantly if fuel prices rise.



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