

ECONOMIC BENEFITS OF THE MVP PROJECT TO WETZEL COUNTY

Introduction

The proposed Mountain Valley Pipeline (MVP) project is a natural gas pipeline system 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 the benefits to West Virginia and Wetzel County due to 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 of 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 natural gas production and manufacturing base, Wetzel 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

Over 70% of Wetzel County's residents use natural gas as their primary source for home space heating. Commercial and municipal gas usage typically follows the same pattern.

These sectors could obtain additional gas supply from the MVP project since it would intersect with the Columbia Gas and Equitrans pipelines that already service parts of the county. Natural gas has brought significant savings to the consumers in West Virginia. Delivered natural gas prices in 2014 were less than half the cost of electricity prices.

Manufacturing and Gas Production

The manufacturing and natural gas production industries play an important role in the county's economy. Together they represent 6% of the county's workforce. The gas production industry has boomed in recent years and has provided employment in the county at an annual average wage rate of \$74,000, or 2.5 times the county average. The MVP project would provide an outlet to gas producers with access to nine other counties in the state, five counties in Virginia, and the fast-growing Southeast market.

Transportation

Fuel switching in municipal and private vehicle fleets presents a savings opportunity to the community. There are estimated to be approximately 75 school buses, other school vehicles, solid waste disposal trucks, and county vehicles, which if converted from gasoline and diesel, would yield over \$20,000 in annual savings. These savings could increase significantly if fuel prices rise.



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