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January 6, 2017

Ms. Kimberly D. Bose, Secretary
Federal Energy Regulatory Commission
888 First Street NE
Washington, DC 20426

Re: Mountain Valley Pipeline, LLC
Docket No. CP16-10-000
Responses to OEMR Date Request Issued December 21, 2016

Dear Ms. Bose:

On December 21, 2016, the Office of Energy Market Regulation (“OEMR”) of the Federal Regulatory Commission issued a data request to Mountain Valley Pipeline, LLC (“Mountain Valley”) with respect to Mountain Valley’s certificate application in Docket No. CP16-10-000. Mountain Valley submits herein its response to the data request. Mountain Valley has also attached the verification executed by the respondent.

If you have any questions, please do not hesitate to contact me at (412) 553-5786 or meggerding@eqt.com. Thank you.

Respectfully submitted,

Mountain Valley Pipeline, LLC

A handwritten signature in blue ink, appearing to read "Matthew Eggerding".

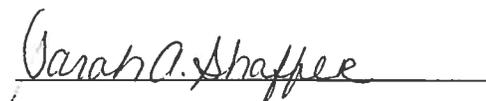
Matthew Eggerding
Counsel, Midstream

Attachments

cc: All parties
Jerry Pederson, OEMR
Catherine Liow, OEMR

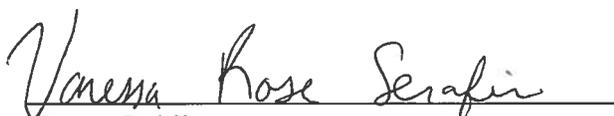
VERIFICATION

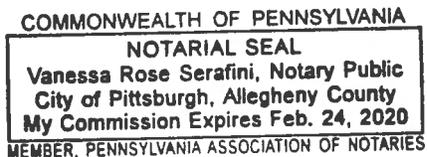
Pursuant to Rule 2005 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission ("Commission"), 18 C.F.R. § 385.2005, Sarah A. Shaffer, being duly sworn, upon her oath says that she is Rates Director; that she has read and is familiar with the foregoing updated response to the Commission's December 21, 2016 data request; that the contents of the response is true and correct to the best of her knowledge, information and belief; and that she has full power and authority to prepare the response and execute this verification.



Sarah A. Shaffer
Rates Director

Subscribed and sworn before me this 6 day of January 2017.


Notary Public



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Request:

1. On April 28, 2016, Mountain Valley provided the Commission with redline/strikeout versions of its service agreements highlighting the non-conforming provisions in those agreements. Mountain Valley's agreement with EQT Energy, LLC (EQT) contains the following provision in Exhibit C (1): "MVP shall: (i) provide Customer with in-path meter capacity of at least 1.5 times the Contract MDQ; and (ii) cooperate with Customer in sizing the designated receipt and delivery meters corresponding to the Primary Receipt and Delivery Points in Exhibit A.
 - i) Provide a description of the rights being provided EQT in this provision.
 - ii) Provide a clear description of the term "in-path meter capacity".
 - iii) Provide an explanation for why EQT is being provided in-path meter capacity of at least 1.5 times its Contract MDQ and state what impact that will have on other shippers.
 - iv) Clearly state whether this right is available to other shippers through Mountain Valley's tariff or was made available to other shippers through an open season.

Response:

- i), ii) The referenced provision does not provide EQT with any right that could result in EQT receiving a different quality of service from that available to any other shipper on Mountain Valley's system.

Sub-part (i) of this contractual provision addresses delivery meter sizing. Mountain Valley will provide total delivery point meter capacity of at least 1.5 times EQT's Contract MDQ for delivery points downstream of the Mobley receipt point and terminating at the delivery point at Transco's Compressor Station 165 ("Transco Delivery Point"). Accordingly, Mountain Valley must account for total delivery meter capacity, both unsubscribed and subscribed, to meet this obligation. In order to illustrate this contractual provision, if one assumes a hypothetical EQT Contract MDQ of 1.0 bcf/d with a single Primary Delivery Point at the Transco Delivery Point, then Mountain Valley must provide delivery meter capacity downstream of the Mobley receipt point and to (and including) the Transco Delivery Point to provide EQT's 1.0 bcf/d of deliverability at the Transco Delivery Point, sufficient meter capacity to meet all other firm delivery obligations, and an additional unsubscribed 0.5 bcf/d of delivery meter capacity that can be utilized by all Mountain Valley shippers. This provision merely ensures that a minimum level of secondary delivery capability is available to Mountain Valley's shippers, regardless of whether that

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shipper's agreement includes this provision. Although EQT's agreement is the only one that includes this provision, EQT does not have any special rights with regard to the unsubscribed meter capacity. Any shipper, not just EQT, would be able to nominate volumes to the unsubscribed meter capacity.

For sub-part (ii) of this contractual provision, Mountain Valley and EQT have already cooperated with respect to sizing the meters corresponding to EQT's Primary Receipt and Delivery Points. As discussed below, Mountain Valley worked with prospective shippers to size the project. This contractual provision does not provide EQT with any rights that are not otherwise available to other shippers.

- iii), iv) During the project development stage, Mountain Valley worked with prospective shippers to ensure the project, including the meter capacities, was sized to meet shipper needs. At least one prospective shipper requested that Mountain Valley construct delivery meter capacity in excess of the pipeline capacity to provide flexibility to shippers. As part of the open season process, Mountain Valley offered the referenced provision to foundation shippers. Mountain Valley ultimately signed precedent agreements with two Foundation Shippers, EQT and USG Properties Marcellus Holdings, LLC ("USG"), for the full Project capacity. Both of the Foundation Shipper precedent agreements included this provision. As a result, Mountain Valley's certificate application included delivery meter capacities in excess of the pipeline capacity. The provision was later removed from USG's precedent agreement when USG converted from a Foundation Shipper to a Standard Shipper at the time Consolidated Edison Company of New York, Inc. became a Project shipper. Hence, the version of USG's unexecuted service agreement filed on April 28, 2016 does not include this provision.

The referenced provision is permissible because it does not provide EQT with any right that could result in EQT receiving a different quality of service from that available to any other shipper on Mountain Valley's system. As explained above, this provision merely ensures that a minimum level of secondary delivery capability is available to Mountain Valley's shippers, regardless of whether that shipper's agreement includes this provision. The Commission has found similar provisions in negotiated rate agreements permissible. In *Cheyenne Plains Gas Pipeline Company, L.L.C.*, the pipeline agreed to size meters at interconnects to handle quantities in excess of the total primary rights at each point to permit shippers to use their secondary rights. 109 FERC ¶ 61,188 at P 24 (2004). The pipeline made clear the provision would benefit all shippers equally because the "super-sized meters will be available for the use of all shippers with or without this contract provision." *Id.* The Commission found the provision acceptable because it would not result in any customer receiving a different quality of service from that available to any other potential customers on the pipeline's system. *Id.* at P 22; *see also Fayetteville*

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Express Pipeline LLC, 132 FERC ¶ 61,276 at P 24 (2010) (approving similar provision concerning minimum meter capabilities). Similarly, in this case, all of Mountain Valley’s customers would benefit from the “super-sized” meters because all shippers would be permitted to use the additional unsubscribed meter capacity. EQT would not receive a different quality of service from that available to any other shipper on Mountain Valley’s system. Therefore, the provision is permissible and consistent with Commission precedent.

Respondent: Sarah A. Shaffer
Position: Rates Director
Phone Number: 412.395.2580
Date: January 6, 2017