

ECONOMIC BENEFITS OF THE MVP PROJECT TO MONROE 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 – Wetzell, Harrison, Doddridge, Lewis, Braxton, Webster, Nicholas, Greenbrier, Fayette, Summers, and Monroe. The following describes the benefits to West Virginia and Monroe County from construction spending, pipeline operations, 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 manufacturing base, Monroe 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 \$1.8 million in annual county ad valorem taxes (property taxes) once the pipeline is in service.

Direct-Use Benefits

Residential, Commercial, and Municipal

Monroe has natural gas service only in the towns of Union and Peterstown. While there is a Columbia Gas pipeline that runs east-west, most of the communities have limited gas access. The MVP project could help provide additional supplies to service the residential, commercial, and municipal sectors and could help with consumers wanting to switch to natural gas.

Manufacturing

The manufacturing sector plays an important role in the county's economy. Manufacturing – mainly through UTC Aerospace – employs 400 people or 21% of the county's workforce. The average annual wage for the sector is 45% higher than the county's average.

Additional access to natural gas can provide an opportunity for manufacturing expansions and attract new manufacturers to the county. Providing additional supply to county manufacturers via MVP would help ensure reliable access to a low-cost fuel source.

Transportation

Fuel switching in municipal and private vehicle fleets presents a savings opportunity to the community. There are estimated to be approximately 70 school buses, other school vehicles, solid waste disposal trucks, and county vehicles, which if converted from gasoline and diesel, would yield approximately \$17,000 in annual savings. These savings could increase significantly if fuel prices rise.



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