

ECONOMIC BENEFITS OF THE MVP PROJECT TO WEBSTER 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 – Wetzell, Harrison, Doddridge, Lewis, Braxton, Webster, Nicholas, Greenbrier, Fayette, Summers, and Monroe. The following describes the benefits to West Virginia and Webster 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. 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, Webster 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 \$1.6 million in annual county ad valorem taxes (property taxes) once the pipeline is in service.

Direct-Use Benefits

Residential, Commercial, and Municipal

There currently is no natural gas service in Webster County. The residential, commercial, and municipals consumers could benefit from the MVP project enormously. Delivered natural gas prices in 2014 were less than half the cost of electricity prices. This could be a boon in the towns of Cowen and Camden-on-Gauly as the planned MVP route would pass within miles of these towns in the western part of the county.

Manufacturing

The manufacturing sector plays an important role in the county as it employs 9% of the county's workforce. Wood and lumber product manufacturing has a large presence in the county, with companies such as Allegheny Wood Products, Northwest Hardwoods, and the Jim C Hamer Company.

The Town of Cowen, which would be located 1.2 miles from the proposed route, presents an interesting opportunity for new manufacturing investment in the county. The town has existing rail service and has some of the best tracts of usable land for development.

Transportation

Fuel switching in municipal and private vehicle fleets presents a savings opportunity to the community. There are estimated to be approximately 50 school buses, other school vehicles, solid waste disposal trucks, and county vehicles, which if converted from gasoline and diesel, would yield approximately \$12,000 in annual savings. These savings could increase significantly if fuel prices rise.



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