UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

ABBREVIATED APPLICATION OF EQUITRANS, L.P. FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

Docket No. CP22-___-000

Filed: January 28, 2022

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

Equitrans, L.P.	)	Docket No. CP22-___-000

ABBREVIATED APPLICATION OF EQUITRANS L.P. FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

Pursuant to Section 7(c) of the Natural Gas Act, as amended ("NGA"),[1] and Part 157 of the regulations of the Federal Energy Regulatory Commission ("Commission"),[2] Equitrans, L.P. ("Equitrans" or "Applicant") hereby submits this application ("Application") seeking a certificate of public convenience and necessity to acquire the existing non-jurisdictional Cygrymus Compressor Station in Greene County, Pennsylvania and to construct, own, and operate (i) two Taurus 70 turbines at the Cygrymus Compressor Station; (ii) one additional Mars 100 compressor unit at the existing Corona Compressor Station Wetzel County, West Virginia; (iii) one additional Titan 130 compressor unit at the existing Plasma Compressor Station in Monroe County, Ohio; (iv) approximately 5.5 miles of pipeline in different locations related to the compressor stations; (v) one deep anode groundbed and rectifier for cathodic protection in Greene County, Pennsylvania; and (vi) ancillary facilities. The proposed facilities comprise the Ohio Valley Connector Expansion ("OVCX") Project, which is referred to herein as the "Project."

The authorizations requested herein will allow Equitrans to create approximately 350,000 dekatherms per day ("Dth/d") of incremental firm deliverability on its Mainline System and new transportation paths, as well as enhance long-term reliability on Equitrans' Mainline System. The creation of this incremental deliverability will provide shippers with additional flexibility to transport natural gas produced in the central Appalachian Basin to meet the growing demand by

[1] 15 U.S.C. § 717f(c) (2018).
[2] 18 C.F.R. §§ 157.7, 157.14 (2021).

local distribution companies, industrial users, and power generation facilities located in the local and mid-continent, northeastern, and gulf coast markets of the United States. The Project will provide additional pipeline delivery capabilities to existing interconnects with Rockies Express Pipeline ("Rockies Express") and Rover Pipeline LLC ("Rover") in Clarington, Ohio. The Project will also increase system reliability, efficiency, and operational flexibility for the benefit of all Equitrans customers, including for deliveries to the Texas Eastern Transmission, LP ("Texas Eastern"), Columbia Gas Transmission, and Eastern Gas Transmission and Storage pipeline systems. The estimated total cost of the Project, including Allowance for Funds Used During Construction, is approximately $167 million. The Project is supported by binding agreements with non-affiliates for 94 percent of the incremental capacity created by the Project as well as an amendment (including a term extension) to an existing firm transportation agreement to reflect the new receipt and delivery paths and long-term delivery capabilities created by the Project facilities.

As part of this Project, Equitrans has enhanced its efforts on outreach, environmental justice, and emissions reduction. Equitrans proposes to commence construction of the Project in March 2023. Equitrans therefore respectfully requests the issuance of the certificate of public convenience and necessity and other approvals requested herein no later than February 28, 2023. In support of this Application and pursuant to the Commission's regulations, Equitrans submits as follows:

I. EQUITRANS' OHIO VALLEY CONNECTOR PROJECT (CP15-41)

Equitrans' natural gas pipeline network is uniquely positioned in the central Appalachian region to accommodate increased gas production, as its pipelines overlay areas of prolific production in northern West Virginia and southwestern Pennsylvania. Equitrans' Mainline System includes numerous interconnects with take-away transmission pipelines, and the reticulated

arrangement of its pipelines provides various paths to receive, transport, and deliver volumes to these interconnects for ultimate delivery to established and growing demand markets. Pursuant to Commission certificate authorization issued in 2015 in Docket No. CP15-41,[3] Equitrans constructed the Ohio Valley Connector Project consisting of four new pipelines (H-310; H-311; H-306 Extension; and H-314) totaling approximately 30 miles of 30-inch diameter pipeline, the Plasma Compressor Station in Monroe County, Ohio, and the Corona Compressor Station in Wetzel County, West Virginia. The Ohio Valley Connector Project enabled Equitrans to provide up to 850,000 dekatherms per day of additional firm transportation service to new points of interconnection with Rockies Express and Texas Eastern in Clarington, Ohio to meet increasing demand for natural gas in the mid-continent and gulf coast markets.

After a successful construction period, Equitrans placed the Ohio Valley Connector Project facilities in service on October 1, 2016. The Ohio Valley Connector Project has been operating in Ohio and West Virginia for more than five years with minimal impact on landowners and the environment.

Corona Compressor Station – Wetzel County, West Virginia

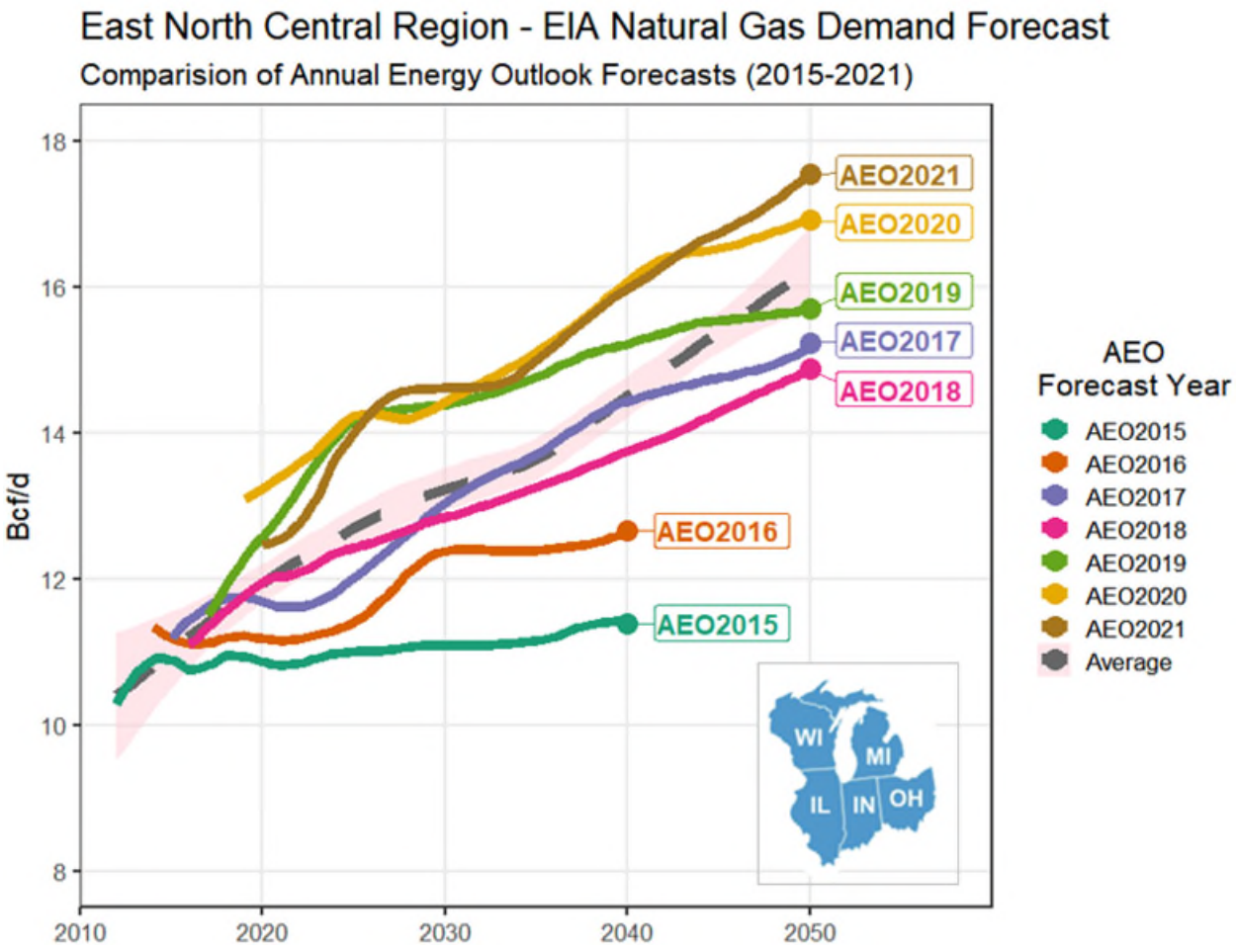
[3] *Equitrans, L.P.*, 153 FERC ¶ 61,381 (2015), *order denying reh'g*, 155 FERC ¶ 61,194 (2016).

Plasma Compressor Station – Monroe County, Ohio

Ohio Valley Connector - Restored Pipeline ROW

II. THE ENERGY TRANSITION: MEETING THE GROWING DEMAND FOR NATURAL GAS

Since placing the Ohio Valley Connector Project in service in 2016, the demand for incremental natural gas supply from the Appalachian region to serve mid-continent and gulf coast markets has continued to grow. The demand for natural gas in markets currently served by Rockies Express, Rover, and other pipelines is forecasted to grow substantially. As reflected below, the U.S. Energy Information Administration ("EIA") Natural Gas Demand Forecast for the East North Central Region (which includes Ohio, Indiana, Michigan, Illinois, and Wisconsin) has been revised upward each year since 2015.



The EIA's 2021 Annual Energy Outlook demonstrates that "more than half of the growth in shale gas production between 2020 and 2050 comes from shale gas plays in the Appalachian Basin in the East region, and most of the remaining growth comes from plays in the Gulf Coast and Southwest regions."[4]

Equitrans designed the Project to meet this growing demand as a key piece of the energy transition as more carbon-intensive fossil fuels are replaced with cleaner burning natural gas. Equitrans recognizes the importance for new infrastructure to be designed and constructed with a focus on minimizing environmental impacts. Accordingly, the Project's pipeline facilities are co-located with existing pipelines for over 52 percent of the route to reduce impacts and all compressor additions are being installed at existing stations to reduce the footprint of this expansion project.

Equitrans is committed to responsible operations that will safeguard the environment and protect the health of its employees, contractors, and communities – always. Equitrans takes pride in being a responsible operator and, more importantly, Equitrans is persistent in its efforts to improve processes and procedures, utilizing the best available technologies and operational practices designed for reducing environmental impacts. Along with ensuring compliance with all environmental agencies' permitting regulations, Equitrans works to ensure that it meets, or exceeds, federal, state, and local regulations that govern air emissions. When practicable, Equitrans employs emissions reduction technologies that exceed its permitting obligations. As explained herein, for the Project, Equitrans has made voluntary investments at the Corona and Plasma compressor stations to further reduce local air quality impacts. This includes the

[4] EIA Annual Energy Outlook 2021, *available at* https://www.eia.gov/outlooks/aeo/production/sub-topic-01.php.

installation of oxidation catalysts to reduce emissions and purchasing turbines with lower emissions than required by air permitting standards.

Equitrans Midstream Corporation ("Equitrans Midstream"), the parent company of Equitrans, has adopted a Climate Policy that outlines the company's commitment and aspirations to reduce its carbon footprint. Equitrans Midstream is taking immediate steps to reduce methane emissions across its operations and is setting Net Zero Carbon Goals for 2050. Equitrans Midstream is evaluating near-term actions to reduce greenhouse gas emissions by 2030, including measurable reduction targets for its direct and indirect (purchased energy) emissions from its operations, and will update this policy as its evaluation progresses to ensure transparent communication of its assessment and future goals. Equitrans Midstream has established a foundation for future commitments and is actively working to assess practicability, costs, and timing to achieve the following:

- Interim Targets for Scope 1 & 2 Emissions:
    - 50% Reduction in Methane by 2030
    - 50% Reduction in Total GHG by 2040
- Net Zero Carbon Goals for 2050

Equitrans Midstream constantly looks for ways to lower its GHG emissions from its assets. Equitrans Midstream partners with groups which strive to limit emissions such as the Interstate Natural Gas Association of America's Methane Commitment and the American Petroleum Institute's Environmental Partnership. Another group Equitrans Midstream takes part in is the ONE Future Coalition. The ONE Future Coalition is a group of natural gas companies whose aim is to reduce methane emissions intensity to one percent throughout a company's value chain by 2025.

Equitrans Midstream is committed to Environmental, Social, and Governance ("ESG") efforts. In 2021, Equitrans Midstream released its Corporate Sustainability Report[5] highlighting the company's Sustainability Framework, including the Five Pillars of Sustainability: (1) Health & Safety Leadership; (2) Environmental Stewardship; (3) Corporate Governance; (4) Economic Impact; and (5) Stakeholder Engagement. As Equitrans Midstream's efforts evolve, it is committed to exploring and embracing new technologies, innovative approaches, and collaborative partnerships to do its part in addressing climate change for the benefit of all.[6] Equitrans incorporated these important pillars, policies, and commitments into its development of the Project. They will also guide Equitrans' continued approach to engagement and environmental stewardship during permitting, construction, and operation of the Project.

III. PROJECT DEVELOPMENT AND PUBLIC ENGAGEMENT

Equitrans is in regular communication with its customers about their transportation needs and changing market demands. As a result of these communications, and the indications of need for more transmission capacity in the central Appalachian Basin to meet growing demand, Equitrans conducted a non-binding open season for firm transportation service from April 14, 2021 through April 23, 2021 and a binding open season for firm transportation service from June 3, 2021 through June 17, 2021, to provide all market participants the opportunity to identify transmission capacity needs at existing or new receipt points on Equitrans' system, with potential deliveries to existing and future interconnects, including interconnects with Rockies Express and Rover. In addition to holding an open season, Equitrans simultaneously solicited offers from its shippers to permanently relinquish capacity that could be used to provide transportation service to

[5] The 2021 Corporate Sustainability Report is available at https://csr.equitransmidstream.com/.

[6] The Equitrans Midstream Climate Policy is available at https://www.equitransmidstream.com/wp-content/uploads/2021/01/Climate-Policy_FINAL_PDF_01.21.21.pdf.

shippers as part of this Project. Equitrans did not receive any offers to turn back capacity. Equitrans continued discussions with potential Project shippers as it furthered Project development and began to refine the Project scope.

Then, in December 2021, Equitrans launched a more intensive public outreach and engagement program including direct stakeholder outreach as well as a Project website (https://www.ovcx.info/) with project updates, frequently asked questions, and interactive maps. As explained in the outreach, Equitrans continues to be committed to conducting business ethically and responsibly and considers the social, economic, and environmental impacts of its operations. For this reason, Equitrans works closely and in partnership with landowners, local communities, community organizations, and all government agencies to learn as much as it can about the communities in which it operates and how Equitrans may be of greater service.

Equitrans recognizes the importance of fair and respectful treatment of landowners impacted by the projects it constructs and operates, which meet the vital energy needs of its communities and customers, and works to adhere to the Interstate Natural Gas Association of America's Commitments to Landowners.[7] Environmental justice has also been a central component of Equitrans' Project planning. Equitrans retained independent outside environmental justice experts to assist with its Project planning and engagement efforts. The Project is located in a rural area away from major population centers, and, as explained in Section IX below, the Project will not result in disproportionately high and adverse impacts on environmental justice communities.

[7] https://www.ingaa.org/File.aspx?id=6849&v=fb123717.

IV. DESCRIPTION OF EQUITRANS

The exact legal name of the Applicant is Equitrans, L.P. Equitrans is a Pennsylvania limited partnership that owns and operates an interstate natural gas pipeline system subject to the jurisdiction of the Commission pursuant to the NGA. Equitrans is currently owned ninety-seven and one-quarter percent (97.25%) by Equitrans Investments, LLC, a subsidiary of EQM Midstream Partners, LP, and two and three-quarters percent (2.75%) by Equitrans Services, LLC, also a subsidiary of EQM Midstream Partners, LP. Equitrans' principal office is located at 2200 Energy Drive, Canonsburg, Pennsylvania 15317. Equitrans is authorized to do business in Pennsylvania, West Virginia, and Ohio.

Equitrans is a "natural-gas company" within the definition of Section 2(6) of the NGA, 15 U.S.C. § 717a(6), and is engaged in the business of gathering, storing, and transporting natural gas in interstate commerce subject to the jurisdiction of the Commission. Equitrans' current systems are located in northern West Virginia, southwestern Pennsylvania, and Ohio. Equitrans provides open-access transportation service under its Subpart G blanket transportation certificate, including service to local distribution companies serving the City of Pittsburgh and surrounding areas, pursuant to the rates, terms, and conditions set forth in its Tariff.

V. CORRESPONDENCE AND COMMUNICATIONS

Communications and correspondence regarding this Application should be directed to:

Matthew Eggerding*
Assistant General Counsel
Equitrans, L.P.
2200 Energy Drive
Canonsburg, PA 15317
(412) 553-5786
Meggerding@equitransmidstream.com

Jennifer Brough*
Locke Lord LLP
701 8th Street, NW, Suite 500
Washington, D.C. 20001
(202) 220-6965
jbrough@lockelord.com

* Persons designated to receive service pursuant to Rule 203 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.203 (2021).

VI. BINDING NON-AFFILIATE AGREEMENTS

As part of the open season, Equitrans offered all potential customers the opportunity to become an Anchor Shipper or a standard shipper for the Project through its open season process. Ultimately, Equitrans executed precedent agreements for 330,000 Dth/d of long-term firm service at negotiated rates with two non-affiliated shippers: EQT Energy, LLC ("EQT")[8] for 250,000 Dth/d, which qualified EQT to be an Anchor Shipper for the Project, and HG Energy II Appalachia LLC ("HG"), which is a standard shipper with an 80,000 Dth/d commitment (together, the "Project Shippers"). Copies of Equitrans' precedent agreements with the Project Shippers are attached hereto as Exhibit I.[9] These precedent agreements are discussed in more detail in Section X below.

Equitrans has sized the Project based on the projections for the continued development of production in the central Appalachian Basin. Specifically, as noted above, Equitrans has signed commitments for 330,000 Dth/d of firm transportation capacity, which is approximately 94 percent of the 350,000 Dth/d of incremental firm deliverability created by the Project. As a result of interest received during the open seasons, Equitrans continues to discuss the remaining available Project capacity with prospective shippers. Equitrans will bear the risk of recovering the Project's costs if it is not fully subscribed.

In addition to executing a binding precedent agreement, EQT also executed amended exhibits to its existing negotiated rate Contract No. 852 under Equitrans' Rate Schedule FTS as a result of Equitrans' binding open season for the Project. Equitrans and EQT first entered into

[8] On November 13, 2018, EQT Corporation separated its upstream and midstream businesses resulting in two independent companies, Equitrans Midstream Corporation (ETRN) and EQT Corporation. As a result of the separation, Equitrans and EQT are no longer affiliates.

[9] The precedent agreements contain commercially-sensitive information. As such, Equitrans has filed redacted copies of the precedent agreements as public and unredacted copies as non-public and has labeled them "CUI//PRIV - Contains Privileged Information – Do Not Release." Equitrans has minimized the number of redactions in the public version in order to increase transparency for the benefit of the public. *See Tennessee Gas Pipeline Co., L.L.C.*, 150 FERC ¶ 61,160 at P 44 (2015).

Contract No. 852, which superseded prior contracts between the parties, effective January 2014.[10] Over time, the parties have amended the quantities and primary points in the exhibits to reflect EQT's oncoming volumes and production plans and Equitrans' service capabilities. In December 2021, EQT and Equitrans executed two amendments to Contract No. 852:

(1) Amendments to Exhibits A and C that, among other things, continued the existing contractual maximum daily quantity ("MDQ") effective January 1, 2022 through the Project in-service date at the existing negotiated rate (instead of the MDQ and its associated rate stepping down at certain dates as contemplated in prior Commission-accepted amendments). The Commission accepted these amended exhibits in Docket No. RP22-415.

(2) Amendments to Exhibits A and C that become effective upon Project in-service and extend the contract MDQ and negotiated rate through December 31, 2030, with further updates to primary receipt and delivery points. Copies of these amended exhibits (together, the "852 OVCX Exhibits") are included in Exhibit I.

In addition to creating incremental capacity, the proposed Project facilities are also designed to enhance the Mainline System's hydraulics to create new receipt and delivery transportation paths and provide long-term receipt and delivery reliability. These benefits and capabilities are demonstrated by the 852 OVCX Exhibits. Specifically, as part of the Contract No. 852 amendments, EQT contracted for four new primary receipts (Aurora, Beacon H-111 (LP), Flower (Polecat) and Bowlby (Drift Ridge)). The Cygrymus Compressor Station upgrades allow EQT to bring production onto the Equitrans system from these new receipt points and others, which

[10] Docket No. RP14-305; superseded by Docket No. RP14-1303 effective October 1, 2014; superseded by Docket No, RP18-205 effective December 1, 2017; superseded by Docket No. RP19-968 effective April 1, 2019; superseded by Docket No. RP20-1132 effective September 1, 2020.

supports EQT's evolving drilling plans, while maintaining deliveries to the Texas Eastern, Columbia Gas Transmission, and Eastern Gas Transmission and Storage pipeline systems through at least 2030 at the same aggregate MDQ.

VII. DESCRIPTION OF PROPOSAL AND AUTHORIZATIONS REQUESTED

Equitrans seeks authorization pursuant to NGA Section 7(c) to acquire, construct, own, and operate new pipeline facilities, new compressor station units, and additional ancillary pipeline facilities. The Project is designed to create approximately 350,000 Dth/d of incremental firm deliverability and new transportation paths, as well as enhance long-term reliability on Equitrans' Mainline System. Details regarding the facilities proposed to be acquired and constructed are set forth below.

A. Cygrymus Compressor Station Acquisition Under NGA Section 7(c)

As part of this Project, Equitrans proposes to acquire[11] an underutilized compressor station that was built for, and currently provides, non-jurisdictional gathering services, replace the existing compressor unit at the station, and utilize the station as part of its jurisdictional transmission assets and services. Vantage Energy II Access, LLC, a non-jurisdictional operator, constructed the Cygrymus Compressor Station and the pipeline facilities behind the station in 2014 as non-jurisdictional facilities to gather wellhead volumes in Greene County, Pennsylvania for delivery to the interstate transmission grid.

Currently, approximately 5,800 feet of 12-inch diameter pipeline transports natural gas from wellhead to the Cygrymus Compressor Station, which compresses the gathered volumes and delivers them to Eastern Gas Transmission and Storage's Sand Rock meter station, which is

[11] Equitrans will submit a privileged version of the Purchase and Sale Agreement between EQM Gathering Opco, LLC and Equitrans, L.P. by February 11, 2022.

located 124 feet southwest of the station and is currently the only delivery point for the station. The station does not currently connect with Equitrans' transmission system. The station currently has a single compressor unit, but in the past utilized two compressor units to handle higher gathered volumes. Since beginning operation, the gathered volumes at the station have been in steady decline. Over the last two years, flows have reduced from an average of approximately 16 MMcf/d to 11 MMcf/d. Following a series of acquisitions, the station and gathering facilities behind the station are owned and operated by a subsidiary of Equitrans Midstream Corporation.

Following the Commission's authorization of the Project and prior to Equitrans' acquisition of the station site, the current operator will remove the existing compressor unit and associated piping and ancillary facilities. The pipelines behind the compressor station will continue to serve a gathering function. In addition, EQT is the shipper on the gathering system that includes the Cygrymus Compressor Station. EQT will not be negatively affected by the Project, including the removal of the existing compressor unit. As discussed above, EQT is the Anchor Shipper. Equitrans requests that the Commission issue any required authorizations for Equitrans to acquire the non-jurisdictional gathering facilities at the Cygrymus Compressor Station.[12]

B. Facilities Proposed To Be Constructed Pursuant To Section 7(c)

- **Cygrymus Compressor Station Modification:** The Cygrymus Compressor Station modification is proposed to be constructed on the existing gathering compressor station site. With the construction of the suction and discharge lines (which are described in more detail below) connecting the station to Equitrans' existing transmission system,

[12] *See RH energytrans, LLC*, 165 FERC ¶ 61,218 (2018) (Granting authorization pursuant to NGA Section 7(c) for acquisition of gathering assets, including a compressor station, to be operated as transmission assets as part of pipeline expansion project).

the station will relay up to 260,000 Dth/d from the Equitrans H-111 intermediate pressure pipeline to the H-302 Pipeline, allowing for the transportation of production from the four new receipt points described above for ultimate delivery to the Texas Eastern, Columbia Gas Transmission, and Eastern Gas Transmission and Storage pipeline systems. In addition, there is an existing interconnect at the station which provides another outlet for the Cygrymus Compressor Station to Eastern Gas Transmission and Storage which is located southwest of the station. As part of the Project, Equitrans proposes to install two Taurus 70 gas turbine driven centrifugal compressors with approximately 22,032 nominal horsepower ("HP"). The proposed design capacity is approximately 250 MMcf/d based on suction and discharge pressure design conditions. The Cygrymus Compressor Station modification will utilize the existing permanent footprint for the existing station with a small increase in permanent footprint to accommodate the new units.

- **Corona Compressor Station Modification:** The Corona Compressor Station modification is proposed to be constructed at the existing Corona Compressor Station site in Wetzel County, West Virginia and will transport gas from the existing H-306 Pipeline, along with the existing GSF-912 Pipeline and proposed Logansport Spur, to the proposed H-326 Pipeline, which will tie into the existing H-310 Pipeline. The existing Corona Compressor Station has nominal HP of 16,399 and consists of one Mars 100 gas turbine driven centrifugal compressor. Equitrans proposes to install one Mars 100 centrifugal compressor driven by a gas turbine engine (16,399 HP). The compressor station capacity is currently estimated to be 250 MMcf/d based on suction and discharge pressure design conditions and will be expanded to 500 MMcf/d. The

Corona Compressor Station modification is proposed to be constructed within the existing station limits; no new area is required.

- **Plasma Compressor Station Modification:** The Plasma Compressor Station modification is proposed to be constructed at the existing Plasma Compressor Station site in Monroe County, Ohio and will transport gas from the H-310 Pipeline origin point in West Virginia to Rockies Express, Rover, and Texas Eastern interconnects near Clarington, Ohio. The existing compressor station consists of two Taurus 70 gas turbine driven centrifugal compressors with approximately 22,500 nominal HP in total. Equitrans proposes to install one Titan 130 gas turbine driven centrifugal compressor with approximately 23,497 nominal HP. The compressor station's proposed expanded capacity is approximately 1,200 MMcf/d based on suction and discharge pressure design conditions. The Plasma Compressor Station expansion will require a minor increase in permanent footprint at the existing station to accommodate the required compression assets.

- **Pipelines**

While the Project scope focuses primarily on incremental compression facilities, the Project requires incremental pipeline facilities to accommodate the increased volumes and changed flows and hydraulics on the system.

  - **H-327 Pipeline:** The proposed H-327 Pipeline in Greene County, Pennsylvania is approximately 0.5 mile of new 16-inch pipeline and is the suction line for the proposed Cygrymus Compressor Station. The proposed H-327 Pipeline will deliver gas from Equitrans' H-111 Pipeline (maximum allowable operating

pressure (MAOP) 655 pounds per square inch gauge (psig)) to the inlet of Cygrymus Compressor Station.

- **H-328 Pipeline:** The proposed H-328 Pipeline in Greene County, Pennsylvania is approximately 0.5 mile of new 12-inch pipeline and is the discharge line from the Cygrymus Compressor Station. The proposed H-328 Pipeline will deliver gas from the outlet of Cygrymus Compressor Station to the existing H-302 Pipeline (MAOP 1,200 psig).
- **H-326 Pipeline:** The proposed H-326 Pipeline in Wetzel County, West Virginia is a new discharge line from the existing Corona Compressor Station and will deliver gas to the existing H-310 Pipeline (which transports gas to Plasma Compressor Station in Ohio). The proposed H-326 Pipeline is necessary because Equitrans' existing discharge line from the Corona Compressor Station, the H-306 pipeline (which currently delivers gas to the existing H-310 pipeline) is not of sufficient diameter to support the incremental volumes to be transported by the Project. The proposed H-326 Pipeline is approximately 3.7 miles of 24-inch diameter pipe. The H-326 Pipeline will be designed and tested for a 1,440 pounds psig MAOP but will be limited to a 1,200 psig system MAOP due to the connection with Equitrans' existing H-302 and H-310 Pipelines.
- **H-329 Pipeline:** The proposed H-329 Pipeline in Wetzel County, West Virginia is a lateral off the H-326 Pipeline and will feed the existing Pickenpaw Interconnect. It is approximately 129 feet (0.02 mile) of eight-inch diameter pipeline with a 1,200 psig MAOP.

- **H-330 Pipeline:** The proposed H-330 Pipeline in Wetzel County, West Virginia will operate as a mainline loop and deliver gas from Equitrans' existing H-302 Pipeline to the existing H-306 Pipeline. Equitrans is reconfiguring the existing H-306 Pipeline from discharge to suction for the Corona Compressor Station as part of this Project. The proposed H-330 Pipeline will function as separate supply pipeline for the reconfigured H-306 Pipeline. Without the proposed H-330 Pipeline, the H-306 Pipeline would not be able to transport Project volumes to the suction side of Corona Compressor Station. The H-330 Pipeline is approximately 0.7-mile of 16-inch diameter pipe extending from existing H-302 Pipeline southwest to the existing H-306 Pipeline. The H-330 Pipeline will be designed with a 1,440 psig MAOP but will be limited to a 1,200 psig system MAOP due to the connection with Equitrans' existing H-302 Pipeline. The H-330 Pipeline from the OVC Interconnect will extend to a ball valve at the tap tie-in to the existing H-302 Pipeline inside the fence of the existing Mobley Run Tap Site.
- **H-330 Spur:** The proposed H-330 Spur in Wetzel County, West Virginia is approximately 480 feet (0.09 mile) of new 16-inch diameter pipe with a 1,440 psig MAOP. The H-330 Spur will consist of a ball valve at the hot tap tie-in to the existing H-306 Pipeline and extend to the Liberty Valve Yard.
- **Logansport Spur:** The proposed Logansport Spur in Wetzel County, West Virginia consists of approximately 160 feet (0.03 mile) of new 12-inch diameter pipeline extending from the existing H-515 Pipeline to the existing H-306 Pipeline, installed underground within the existing facility area. The

Logansport Spur will be designed with a 1,200 psig MAOP but will be limited to 655 psig system MAOP due to the connection with the existing H-515 Pipeline. The Logansport Spur will deliver gas to the existing H-306 Pipeline, which is a suction line to the existing Corona Compressor Station.

- **Ancillary Facilities**
  - **Shough Creek Valve Yard:** The Shough Creek Valve Yard will be located in Greene County, Pennsylvania. A pig launcher will be included at the Shough Creek Valve Yard for the H-327 Pipeline. A below-grade 16-inch spur line will connect from the pig launcher and run to the hot tap location which will have a hot tap valve. A pig receiver will be included at the Shough Creek Valve Yard for the H-328 Pipeline. A below-grade 12-inch spur line will connect from the pig receiver and run to the hot tap location which will have a hot tap valve.
  - **Pickenpaw Interconnect:** The existing Pickenpaw Interconnect, located in Wetzel County, West Virginia, will be fed by the H-329 Pipeline in addition to the existing feed from the H-306 Pipeline to deliver gas to the Columbia Gas Pipeline. Equitrans proposes to install approximately 129 feet (0.02-mile) of eight-inch-diameter pipeline to tie-in with the existing interconnect inside the fence. No new area is required for construction or operation at the Pickenpaw Interconnect.
  - **Liberty Valve Yard:** The Liberty Valve Yard will be located in Wetzel County, West Virginia and will include one pig receiver for the H-330 Pipeline.
  - **OVC Interconnect:** The existing valve and pig launcher site located in Wetzel County, West Virginia will be expanded within an existing graveled area. The

expanded site will contain one pig receiver for the H-326 Pipeline and will tie into the existing H-310 launcher. Additionally, the expanded site will contain one pig launcher for the H-330 Pipeline.

- **Mobley Run Tap Site:** The existing Mobley Run Tap Site is located in Wetzel County, West Virginia. The H-330 Pipeline will extend from the OVC Interconnect to a ball valve at the tap tie-in to the existing H-302 Pipeline inside the fence of the existing Mobley Run Tap Site. No new area is required for construction or operation.

C. Anticipated Construction Schedule

Upon receiving authorization from the Commission for the construction, installation, modification, operation, and maintenance of the Project, Equitrans anticipates that it will begin to clear trees and vegetation in March 2023 and commence all remaining construction activities no later than April 2023. Equitrans plans to place the West Virginia and Ohio Project facilities in-service in September 2023 with service on the Pennsylvania facilities (Cygrymus Compressor Station upgrades) commencing no later than June 2024 to match the timing requirements of the Project Shippers. Equitrans is proposing this construction timeline in order to accommodate narrow construction windows due to weather issues and anticipated environmental and seasonal constraints on clearing trees and vegetation and on pipeline construction, as well as to minimize outages and maintain adequate levels of service to meet its existing commitments to its shippers during the construction and installation of the Project described herein. Therefore, in order to allow Equitrans to complete materials procurement and construction of the Project in a timeframe compatible with the in-service dates of the facilities, Equitrans respectfully requests that the Commission grant the requested authorizations no later than February 28, 2023.

VIII. ENVIRONMENTAL IMPACT

In October 2021, Equitrans began contacting federal and state natural and cultural resource agencies and other stakeholders, including state and local governmental entities, having an interest in the Project. These initial communications included an overview of the Project and a request for information regarding the applicable permitting and regulatory requisites. In addition to engaging in pre-application discussions with governmental officials and agencies, Equitrans engaged in discussions with various federal and state permitting agencies and other entities to advise them of the Project, to solicit their input, and to commence the permitting application processes for authorizations required by other federal statutes prior to filing this application. A list of all the federal and state agencies with whom Equitrans has consulted is contained in Exhibit F-I, Resource Report 1. In addition, pursuant to the Commission's regulation requiring identification of all federal authorizations applicable to the Project, Equitrans submits a list of such required authorizations, as well as the related information required by 18 C.F.R. § 157.14(a)(13), in Exhibit J, attached hereto.

The Environmental Report attached hereto as Exhibit F-I more fully describes the potential impacts of the Project and Equitrans' proposals to mitigate those environmental impacts. The information in Exhibit F-I has been prepared in accordance with Part 380 of the Commission's regulations and meets the requirements necessary for the Commission Staff to perform its environmental analysis. Those resource reports demonstrate that (1) the Project is not expected to result in any significant adverse impact on the environment; (2) all impacts can be avoided or, where unavoidable, can be adequately mitigated; (3) the proposed route and Project design are the best of those evaluated; (4) the Project's short-term use of the environment will not conflict with the long-term productivity of the environment; and (5) resources will not be irreversibly or

irretrievably lost due to the construction activities. The Project will be constructed in accordance with applicable environmental regulations, and approval of the proposal will not result in a significant impact on the environment.

As part of the environmental impact analysis, Equitrans evaluated the no-action alternative, alternate energy sources, system alternatives, major and minor route alternatives, and the alternative to use electric-motor driven compression.

Traditional fuel alternatives, such as coal, oil, and nuclear, were evaluated, but the use of these sources may result in greater environmental impacts in the form of carbon emissions, increased traffic and risk of spills, and impacts associated with radioactive was products. Alternate energy sources, including renewable energy sources such as wind, solar, hydroelectric, and biomass fuel, were also considered. However, while renewable energy sources are expected to continue to meet part of the increased energy consumption demands, renewable energy capacity is not expected to be able to support all of the increased demand proposed to be met by this Project. Further, emerging fuels such as green hydrogen and renewable natural gas are expected to play an increasing role in the clean energy future; as these emerging fuels increase in market share, Equitrans will continue to evaluate adaptability with its systems such that these fuels can be blended in the natural gas delivered by the proposed Project.

Various system alternatives were considered. In some instances, significant alternate facilities would be required, which would thereby result in significantly higher environmental impacts, and thus the Project as proposed herein was preferred. Route alternatives were also analyzed, but due to increased risk of erosion, increased construction and maintenance risk on steep side slopes, additional impacts to waterbodies, and landowner issues noted through Equitrans' active landowner engagement, the route for the Project was selected.

Equitrans also evaluated the feasibility of using electric-driven compressor units in lieu of the proposed natural gas-fired compressor units for the modifications at the Cygrymus, Corona, and Plasma Compressor Stations. Utilizing electric-powered compressor units for the Project would require the installation of more than 21 miles of new power line ROW and three substations. The overall acreage for the power line ROWs and substations are estimated to require 140.7 acres of disturbance including soils, wetlands, waterbodies, land use, visual effects, and would result in impacts on new landowners from construction and operation of the single-purpose non-jurisdictional electric transmission infrastructure. Additionally, a single power source to operate the added electric-driven compressors, which Equitrans is not in control of, decreases the reliability of the compressor station maintaining power. Consequently, in the event of a regional utility power outage, a considerable amount of compression at the existing stations would be unavailable, hindering the operation of Equitrans' Mainline System. This would significantly impede Equitrans' ability to provide service during electric interruptions, whereas the natural gas turbine-driven compressors are self-sustaining. This is especially important for electric generation facilities that utilize natural gas, as an electric power outage that negatively affects Equitrans' ability to deliver natural gas to the interstate grid could cause additional power outages due to insufficient downstream natural gas supplies. For these reasons, Equitrans has determined that natural gas turbine-driven compression at Cygrymus, Corona, and Plasma Compressor Stations are highly preferable for system and public reliability.

With the utilization of existing compressor station sites, 5.46 miles of new pipeline construction, and 2.23 permanent acres impacted by aboveground facility modifications, the Project has minimal impact on land and landowners.

IX. PUBLIC CONVENIENCE AND NECESSITY

The Commission's Statement of Policy on the Certification of New Interstate Natural Gas Facilities established criteria for determining whether there is a need for a proposed project and whether the proposed project will serve the public interest.[13] The Certificate Policy Statement explains that, in deciding whether to authorize the construction of major new pipeline facilities, the Commission balances the public benefits of the project against the project's potential adverse consequences.[14] The stated goal is to give appropriate consideration to the enhancement of competitive transportation alternatives, the possibility of overbuilding, prevention of subsidization by existing customers, the applicant's responsibility for unsubscribed capacity, the avoidance of unnecessary disruptions of the environment, and the unneeded exercise of eminent domain in evaluating new pipeline construction.[15] Once an applicant demonstrates that the benefits to be achieved by the project will outweigh the potential adverse impacts, the Commission will find that the project is required by the public convenience and necessity. As demonstrated herein, this Project is consistent with the criteria of the Certificate Policy Statement, is in the public interest, and is required by the public convenience and necessity.

A. The Proposal Satisfies The Threshold "No Subsidy" Requirement

Under the Commission's Certificate Policy Statement, the threshold requirement for pipelines proposing new projects is that the pipeline must be prepared to financially support the

[13] *Certification of New Interstate Natural Gas Pipeline Facilities*, 88 FERC ¶ 61,227 (1999), *Order on Clarification*, 90 FERC ¶ 61,128 (2000), *Order on Clarification*, 92 FERC ¶ 61,094 (2000) ("Certificate Policy Statement"). In 2021, FERC reopened its review of the Certificate Policy Statement by issuing a Notice of Inquiry in Docket No. PL18-1-000. To date, the Commission has not amended the Certificate Policy Statement but Equitrans has voluntarily incorporated herein analysis of issues contained in the Notice of Inquiry (e.g., environmental justice, greenhouse gas emissions).

[14] *Texas Eastern Transmission Corp., LP*, 114 FERC ¶ 61,185 (2006).

[15] *Id*. at P 13.

project without relying on subsidization from its existing customers.[16] As discussed below, this Application meets that requirement.

Equitrans has entered into long-term precedent agreements with unaffiliated Project Shippers for 330,000 Dth/d of firm transportation capacity at negotiated rates. Upon approval of the Project and prior to the in-service date, Equitrans and the Project Shippers will enter into a firm transportation agreements at negotiated rates for the subscribed capacity. The amount of capacity subscribed represents 94 percent of the proposed incremental capacity for the Project. EQT and Equitrans have also executed amendments to existing Contract No. 852 exhibits which will maintain deliveries to the Texas Eastern, Columbia Gas Transmission, and Eastern Gas Transmission and Storage pipeline systems through at least 2030 at the same aggregate MDQ. Included in these amendments, EQT contracted for capacity from four new receipt points, which becomes available upon the in-service of the Cygrymus Compressor Station upgrades.

The aforementioned EIA production forecast for the central Appalachian Basin and the increased demand for natural gas in the local and mid-continent and gulf coast markets of the United States, supports the construction of the proposed, currently unsubscribed, take-away capacity. As discussed below in Section X, Equitrans conducted a rolled-in rate analysis and concluded that rolling the Project's costs into existing Ohio Valley Connector incremental rates does not result in an increase in existing rates. As such, the Project is not subsidized by existing customers and is financially viable.

B. The Project Will Have No Adverse Impact On Existing Customers, On Existing Pipelines, Or Their Captive Customers

The Certificate Policy Statement requires an analysis to identify potentially adverse effects of the project on the existing customers of the pipeline proposing the project, existing pipelines in

[16] *Id.* at P 15.

the market and their captive customers, or landowners and communities affected by the construction, and to determine whether the applicant has made efforts to eliminate or minimize those adverse effects.[17] If residual adverse effects on these groups are identified after efforts have been made to minimize them, the Commission will "evaluate the project by balancing the evidence of public benefits to be achieved against residual adverse effects."[18]

The Project will not adversely affect Equitrans' existing customers because the Project will not degrade any service currently provided to existing customers. To the contrary, the Project will improve service to existing customers by providing their existing service for the same price. Exhibits G, G-I, and G-II contain the flow diagrams and data that demonstrate the effect of the Project on the existing operational capabilities and conditions of Equitrans' system. These exhibits demonstrate there will be no adverse operational impact on service provided to Equitrans' existing customers as a result of the Project. The construction of the Project's facilities will not adversely impact existing pipelines and their customers because the Project is not intended to replace existing customers' service on any other existing pipeline.

C. There Is Minimal Potential For Adverse Impacts To Landowners And Communities Affected By The Project

As discussed more fully in Section VIII and in the accompanying environmental resource reports attached as Exhibit F-I, Equitrans designed the Project to minimize the impact on landowners and communities.

Minimization of Impacts to Communities and the Environment

Equitrans will implement specific mitigation measures to minimize potential impacts to communities in the Project area. Equitrans has minimized impacts to landowners by utilizing

[17] *Texas Eastern Transmission, LP*, 176 FERC ¶ 61,206 at P 14 (2021).
[18] *Id.*

existing compressor station areas and where necessary, Equitrans plans to acquire rights-of-way from private landowners through good faith negotiations with the goal of avoiding eminent domain, and intends to work cooperatively with all affected landowners and stakeholders to address their concerns. The Project will provide positive economic effects for the community through short- and long-term opportunities for increased tax revenues. Construction expenditures will inject funds into the local and regional economies through payroll expenditures, worker indirect and direct spending, and material purchases in the Project area. Equitrans estimates it will spend approximately $161 million on labor, equipment, materials, acquisition, and other services to develop and construct the Project facilities, of which $19 million is expected to be spent in Ohio, $40 million is expected to be spent in Pennsylvania and $31 million to be spent in West Virginia. Construction and operation of the Project will have a positive impact on tax generation. Annual ad valorem taxes related to the Project are anticipated to generate approximately $3,300 in Greene County, Pennsylvania; $1.8 million in Monroe County, Ohio; and $380,000 in Wetzel County, West Virginia.

Equitrans is passionate about investing in its operating communities. Through its parent company, Equitrans Midstream Corporation, and the Equitrans Midstream Foundation, a separate 501(c)(3) organization, Equitrans supports a variety of local organizations, non-profit groups, first responders, and municipalities seeking assistance for community projects. Other investments include the active sponsorship of county fairs, community festivals, and other local events. Specifically, in the Project area, Equitrans has supported Pine Grove Volunteer Fire Department, Pine Grove Community Park and Sons of the American Legion Post 81 (all Wetzel County); Greene County Parks Commission, Community Foundation of Greene County, Corner Cupboard; Community Foundation Ohio Valley, Monroe County Parks; and the Monroe County Jr. Livestock

Sale. Equitrans' donations and sponsorships present opportunities for it to interact with community members, inform them of its business operations, and most importantly enhance their quality of life. In the wake of COVID-19, Equitrans placed a heavy emphasis on supporting our first responders and local communities. Equitrans has participated in several food drives, donated supplies to local schools, provided necessary medical supplies to county agencies, and also provided support to local humane societies throughout the pandemic.

Equitrans has developed a Public Participation Plan, which is filed as Appendix 1-E to Resource Report 1. In accordance with this plan, Equitrans has established a Project website (www.ovcx.info) and a toll-free phone number (855.918.8880) to facilitate public outreach and continues to actively engage landowners and stakeholders in the Project planning process and throughout the Project lifecycle. During the first quarter of 2022, Equitrans plans to host a voluntary public forum in proximity to each of the three compressor stations associated with the Project to spur additional public outreach and engagement. Equitrans will provide more information on the docket as it finalizes planning. Communications with landowners that would be impacted by the Project construction and operation have included a concise presentation of the purpose and need for the Project, an accurately projected construction schedule, and anticipated property impacts.

Where practicable, Equitrans has designed the Project to be co-located within existing pipeline ROWs. Specifically, Equitrans designed the H-326 Pipeline to parallel and utilize existing ROWs to the extent practicable, which will minimize impacts to existing land use. The H-327 and H-328 Pipelines are short (0.5 mile) pipelines designed to minimize impacts while meeting the purpose and need of the Project. Most impacts will temporarily occur during the construction phase of the Project. Following construction, temporary construction workspaces will be returned

to pre-construction conditions, to the extent practicable, and previous land uses will be able to continue within the permanent ROW with the exception of small aboveground facilities such as mainline valves. No displacement of residences or businesses is proposed. In addition, the compressor station work proposed as part of the Project is entirely within the framework of existing compressor station sites with minimal impact from construction or operation. Further, the pipeline facilities will be designed, constructed, operated, and maintained in accordance with the Pipeline and Hazardous Materials Safety administration regulations in 49 CFR Part 192, Transportation of Natural and Other Gas by Pipeline: Minimum Federal Safety Standards.

Ohio Valley Connector Project - Restored Pipeline ROW

Noise and Emissions

Equitrans will adhere to FERC's Plan and Procedures and mitigation measures summarized above and discussed in further detail in the resource reports. The Corona and Cygrymus Compressor Stations are both existing facilities which will require additional mechanical and

electrical equipment to support the horsepower increase. Equitrans minimized environmental impacts by increasing horsepower at existing facilities versus building new facilities. The construction and operation of these station upgrades will not result in impacts to streams or wetlands, cultural resources, land use, socioeconomics, or public land. The construction and operation of modifications at each compressor station may result in small, localized effects on air quality and noise as further detailed in Exhibit F-I, Resource Report 9.

Mitigation measures to minimize air and noise impacts from the construction and operation are further discussed in Resource Report 9. Impacts from construction air emissions due to equipment use will be temporary and dissipate rapidly, and Equitrans will implement the Fugitive Dust Control Plan to further minimize potential temporary air quality impacts. Operational air emissions were evaluated through modeling analysis which demonstrates that the facilities will be in compliance with the National Ambient Air Quality Standards.

Because electric compressor units are not viable, Equitrans looked into investments to minimize local air impacts. These voluntary measures are not required to meet West Virginia or Ohio state air permitting requirements. The new compressor units at the Corona and Plasma stations will be lower emission models than are required. In addition, Equitrans is installing oxidation catalysts to reduce emissions from both the new and existing units at these two stations. The table below (also included in Resource Report 9) summarizes the emission reductions from the voluntary measures proposed for the Project.

Voluntary Reduction Emissions Summary

Facility	Pollutant	Potential Site-Wide Potential to Emit (tpy)	Potential Site-Wide Potential to Emit with Voluntary Reductions (tpy)	Emission Reduction (tpy)
Corona Compressor Station	Oxides of Nitrogen (NO_X)	89.87	72.5	17.37
	CO	79.05	22.04	57.01
	VOC	15.02	11.76	3.26
	Formaldehyde	4.23	0.97	3.26
Plasma Compressor Station	Oxides of Nitrogen (NO_X)	66.91	54.08	12.83
	CO	58.91	17.00	41.91
	VOC	7.48	5.09	2.39
	Formaldehyde	3.12	0.72	2.40

Equitrans has modeled emissions including the installation of lower emitting units and oxidation catalysts. The enforceable emission limits incorporated into the state-issued permits for each facility will be based on the voluntary measures included.

Temporary impacts from construction noise will be mitigated by limiting construction to daytime hours, to the extent practicable. In addition, Equitrans completed a noise study to model the facility impacts on local noise levels during operation; with the implementation of mitigation measures in the facility design, the predicted sound level from operation after modifications for increasing horsepower are estimated to be lower than 55 decibels on the A-weighted scale day-night average sound level at the closest noise sensitive areas.

Environmental Justice

As explained above, from the initiation of planning for the Project, Equitrans conducted extensive environmental justice review and outreach. Using the U.S. Census Bureau's 2019 American Community Survey (5-year estimates) on race and ethnicity for each state, county, and block group, Equitrans utilized the 50 percent and the meaningfully greater analysis methods from the USEPA *Promising Practices for Environmental Justice Methodologies in NEPA Reviews*. Using the U.S. Census Bureau 2019 American Community Survey File 5-year estimates File numbers B17021 and B17017 for the state, county, and block group, Equitrans also evaluated the population using the low-income threshold criteria method from the USEPA *Promising Practices*.

Equitrans identified census block group 54-103-030500-004 in Wetzel County, West Virginia as a potential environmental justice community based on minority population.[19] The Corona Compressor Station and a portion of the H-329 Pipeline are located within this block group.

In addition, two census block groups in the assessment area had poverty levels that met the low-income threshold criteria for a potential environmental justice community: census blocks 42-059-970400-004 in Greene County, Pennsylvania (where the Cygrymus Compressor Station is located) and 54-049-021800-001 in Marion County, West Virginia (which is within approximately 0.5-mile of the Corona Compressor Station).

As explained in the Environmental Report, Equitrans does not anticipate that the Project will result in disproportionately high and adverse impacts on environmental justice communities.

[19] Note that Equitrans also utilized the EPA's EJSCREEN tool as part of its comprehensive environmental justice review. The EJSCREEN results differed from the census data analysis for block groups in Wetzel County, West Virginia. Census Block Group 54-103-030500-004 is not an environmental justice community based on EJSCREEN but is an environmental justice community based on minority population based on the census data. Census Block Group 54-103-030500-005 is listed as an environmental justice community based on low-income through EJSCREEN but is not an environmental justice community based on census data.

Specifically, the Project is located in a sparsely populated area and the pipelines have been designed to minimize impacts to land use; best management practices will be utilized for construction in streams and wetlands to avoid and minimize potential effects on water quality, therefore, negative impacts are not anticipated to persons who may rely on hunting and fishing for a portion of their subsistence; temporary impacts from construction noise will be mitigated by limiting construction to daytime hours; and Equitrans is making voluntary equipment investments at Corona Compressor Station and Plasma Compressor Station to further reduce local air quality impacts. Construction of the Project will result in temporary daily increases of traffic; however, impacts are expected to be minor and manageable due to the remote location, relatively small size of the Project workforce, the short duration of construction and the timing of construction related traffic (which is typically scheduled during off-peak hours). Appropriate traffic control measures, such as flagmen and signs, will be used as necessary for safety of local traffic. Additionally, Equitrans will coordinate with state and local officials to obtain all necessary permits for temporary construction-related impacts to roadways in the area. Because of these measures, traffic is not expected to be significantly impacted by the construction of the Project.

D. The Project's Benefits Outweigh Any Burdens

When determining whether a proposed project is needed and will serve the public interest, the Commission balances the public benefits to be achieved by the project against the residual adverse effects of the proposed project. The Project serves the public convenience and necessity by answering a demonstrated need for additional transportation capacity to move natural gas from the Appalachian Basin to consumers. In doing so, Equitrans will more efficiently bring cleaner-burning natural gas supplies from the prolific Appalachian Basin to meet the growing demand for natural gas in the local and mid-continent and gulf coast markets of the United States.

Equitrans has designed the Project to minimize impacts to communities and the environment. As explained in Section VIII, through implementation of the mitigation measures proposed in the Application, the Project can be constructed in an environmentally acceptable manner.

In light of the resulting substantial benefits and demonstrated market need, the Project satisfies the requirements of the Certificate Policy Statement and should be approved as required by the present and future public convenience and necessity.

X. RATES AND PROJECT AGREEMENTS

The Project Shippers have elected to pay negotiated rates for firm transportation service on the Project. Equitrans will file tariff records reflecting its negotiated rate agreements with the Project Shippers within 30 to 60 days prior to when the underlying negotiated rates are proposed to become effective.

Equitrans proposes to use the applicable Ohio Valley Connector System rates as the maximum recourse rates for service on the Project and to roll-in the costs of the Project into its general system rates in its next NGA Section 4 general rate proceeding. Rolled-in rate treatment for costs is appropriate when the overall result would be a reduction in rates for non-expansion customers.[20] To obtain rolled-in rate treatment, a pipeline must show that the incremental rate for service on the expansion and replacement is less than the existing recourse rate and that the incremental rate will fully recover the cost of service associated with the expansion. As shown on Exhibit P (page 1), the Monthly Incremental Firm Transportation Reservation Rate associated with the Project would be $7.4107/Dth, which is lower than the existing Ohio Valley Connector

[20] *See, e.g., Dominion Transmission, Inc*., 144 FERC ¶ 61,182 at P 19 (2013).

maximum recourse rates under Rate Schedule FTS of $8.9871,[21] and the 100% load factor rate associated with the Project would be $0.2445/Dth, which is lower than the existing Equitrans Mainline maximum recourse rates of $0.3239[22] or $0.3018[23] for winter and base periods, respectively. Additionally, as shown on Exhibit N (page 1), the total revenues generated from the Project utilizing Equitrans' Ohio Valley Connector System recourse rates are higher than the estimated cost of service of the Project. As such, use of the existing Ohio Valley Connector System maximum recourse rates will generate revenues in excess of the estimated cost of service. In addition, all customers will receive operational benefits from the Project. Specifically, the Project will increase system reliability, efficiency, and operational flexibility for the benefit of all of Equitrans' customers. Therefore, rolling-in the cost of the Project into Equitrans' Ohio Valley Connector System rates in its next NGA Section 4 general rate proceeding will benefit existing customers and is fully consistent with the Commission's Certificate Policy Statement, which recognized the need for certain exceptions to the rigid application of incremental pricing for all projects.[24]

Exhibit Z-1 contains an analysis of the impact that the Project will have on overall system fuel rates. The results of this fuel study demonstrate that the expected fuel usage for the new Project facilities is approximately 1.62% per Dth which is less than the Mainline System Retainage Factor of 1.72%.[25]

As described in its precedent agreement for the Project, EQT received the following

[21] *See* Equitrans' Tariff, Section 4.1, Statement of Rates, Transportation Rates NOFT, FTS, EFT, STS-1 & FTSS, Ohio Valley Connector System.
[22] *See* Equitrans' Tariff, Section 4.2, Statement of Rates, Rate Schedule ITS, Mainline System.
[23] *Id*.
[24] Certificate Policy Statement at p. 61,737.
[25] *See* Equitrans, L.P., Tariff, Section 4.5, Statement of Retainage Factors. For the Fuel Study, Equitrans utilized the 610,000 Dth/d (350,000 Dth/d of incremental firm deliverability on its Mainline System plus 260,000 Dth/d from the new Aurora, Beacon H-111 (LP), Flower (Polecat) and Bowlby (Drift Ridge) receipt points) or 593,772 Mscf/d of receipts that would not be added to the Equitrans Mainline System but for the Project.

incentives or benefits as an Anchor Shipper, subject to Commission approval: (1) no pro-rationing of its contract quantity in the open season until other shippers' quantities have been reduced; (2) a most-favored nations right extending through the first five years of service entitling the Anchor Shipper to any lower negotiated rate agreed to with another shipper for service for at least a five year term between the specified Primary Receipt and Delivery Points on the Project; (3) a negotiated rate applicable to the shipper's maximum daily quantity; (4) a right of first refusal at the end of the primary term; and (5) an actualized fuel rate to be calculated and trued-up annually. Equitrans offered these incentives to obtain the capacity commitments it required to advance the Project and to recognize the Anchor Shipper's financial commitments to the Project.

The Commission's policy is to accept non-conforming provisions for initial shippers as permissible if they will not present any risk of undue discrimination, affect the operational conditions of providing service, or result in a shipper receiving a different quality of service from that available to other shippers.[26] Equitrans submits that all of the provisions applicable to its Anchor Shipper should be accepted as permissible pursuant to these standards.

The precedent agreement with HG reflecting an 80,000 Dth/d commitment is also included in Exhibit I. Upon Commission approval of the Project, Equitrans and the Project Shippers will enter into long-term firm transportation agreements at negotiated rates for the subscribed capacity. Equitrans will file tariff records reflecting its negotiated rate agreements with its shippers, including any non-conforming provisions, within 30 to 60 days prior to when the underlying negotiated rates are proposed to become effective.

[26] *See, e*.g., *Gulf South Pipeline Co., LP*, 149 FERC ¶ 61,174 at P 104 (2014); *Sierrita Gas Pipeline, LLC*, 147 FERC ¶ 61,192 at P 104 (2014); *Transcontinental Gas Pipe Line Corp., LLC*, 145 FERC ¶ 61,152 at P 34 (2013); *Tennessee Gas Pipeline Co.*, 144 FERC ¶ 61,219 at P 32 (2013); *Tennessee Gas Pipeline Co.*, 140 FERC ¶ 61,120 at P 25 (2012); *Tennessee Gas Pipeline Co.*, 139 FERC ¶ 61,161 at P 37 (2012); *Texas Eastern Transmission, LP*, 139 FERC ¶ 61,138 at P 56 (2012).

XI. NOTICE

A form of notice of this Application suitable for publication in the *Federal Register*, in accordance with the specifications in 18 C.F.R. § 385.203(d) (2021), is attached hereto as Exhibit Z-2.

XII. ABBREVIATED APPLICATION

This Application is abbreviated pursuant to Section 157.7 of the Commission's regulations, and thus contains only the data required to disclose fully the nature and extent of the proposed action. Equitrans respectfully submits that the data and information contained herein are sufficient to provide the Commission with a full and complete understanding of Equitrans' requested authorization. To the extent this Application does not contain every submission required by Commission regulations, Equitrans respectfully request waiver of the Commission's regulations.

XIII. TABLE OF CONTENTS OF REQUIRED EXHIBITS

Pursuant to Section 157.6(b)(6) of the Commission's regulations, the following exhibits are attached hereto, incorporated by reference, or omitted for the stated reasons:

Exhibit A Articles of Incorporation and Bylaws

Attached hereto.

Exhibit B State Authorizations

Equitrans' Certificate of Amendment – Limited Partnership in Pennsylvania, Certificate of Limited Partnership in Pennsylvania, and Certificate of Limited Partnership in West Virginia are incorporated herein by reference to Exhibit B in Docket No. CP96-532. Equitrans' Registration of Foreign Limited Partnership in Ohio is incorporated herein by reference to Exhibit B in Docket No. CP15-41.

Exhibit C Company Officials

Attached hereto.

Exhibit D Subsidiaries and Affiliation

Omitted. As of the date of the Application, neither Equitrans nor any of its officers directly or indirectly owns, controls, or holds with power to vote 10 percent or more of the outstanding voting securities of any other person or group engaged in the production, transportation, storage, distribution, or sale of natural gas or any person or group engaged in the financing of such enterprises

Exhibit E Other Pending Applications and Filings

Omitted. Not applicable.

Exhibit F Location of Facilities

Attached hereto.

Exhibit F-I Environmental Report

Attached in Volume 2.

Exhibit G Flow Diagrams Showing Daily Design Capacity and Reflecting Operation With and Without Proposed Facilities Added

The flow diagrams and hydraulic flow models are attached in Volume 3 and designated as **CUI//CEII/PRIV - Contains Critical Energy Infrastructure Information; Contains Privileged Information – Do Not Release**.

Exhibit G-I Flow Diagrams Reflecting Maximum Capabilities

The flow diagrams and hydraulic flow models are attached in Volume 3 and designated as **CUI//CEII/PRIV - Contains Critical Energy Infrastructure Information; Contains Privileged Information – Do Not Release**.

Exhibit G-II Flow Diagram Data

Attached in Volume 3 and designated as **CUI//CEII/PRIV - Contains Critical Energy Infrastructure Information; Contains Privileged Information**.

Exhibit H Total Gas Supply Data

Omitted. The Project Shippers will be responsible for providing and arranging their own sources of gas supply.

Exhibit I Market Data

The 852 OVCX Exhibits and redacted copies of the executed precedent agreements with the Project Shippers are submitted in Volume 1. Unredacted copies of the precedent agreements are submitted in Volume 4 and designated as **CUI//PRIV - Contains Privileged Information – Do Not Release.**

Exhibit J Federal Authorizations

Attached hereto.

Exhibit K Cost of Facilities

Attached hereto.

Exhibit L Financing

Omitted. Equitrans will finance the cost of the Project through funds on hand and borrowings under short-term financing arrangements with Equitrans Midstream Corporation.

Exhibit M Construction, Operation, and Management

Omitted. Equitrans will construct, manage and operate the proposed pipeline or cause the same to occur.

Exhibit N Revenues, Expenses, Income

Attached hereto.

Exhibit O Depreciation and Depletion

Omitted. Equitrans is proposing to use a depreciation rate of 2.50%.

Exhibit P Tariff

Exhibit P rate calculations included with Exhibit N.

Exhibit Z-1 Fuel Study

Attached hereto.

Exhibit Z-2 Form of Notice

Attached hereto.

Exhibit Z-3 Open Season Notices

Attached hereto.

Exhibit Z-4 Form of Confidentiality and Protective Agreement

Attached hereto.

XIV. OTHER

Pursuant to the Commission's electronic filing guide, Equitrans is eFiling this Application.[27] Exhibits G through G-II, hydraulic flow models supporting Exhibits G and G-I, and plot plans are found in Volume 3 and contain Critical Energy Infrastructure Information and Privileged Information. Pursuant to Sections 388.112 and 388.113 of the Commission's regulations, Equitrans hereby requests non-public treatment of these exhibits, models, and plans, which are marked "CUI//CEII/PRIV - Contains Critical Energy Infrastructure Information, Contains Privileged Information - Do Not Release." In addition, Equitrans is marking Volume 4 as privileged and confidential because it contains landowner information and confidential, proprietary contractual and internal information. Equitrans requests privileged treatment for Volume 4 and has marked the applicable documents "CUI//PRIV - Contains Privileged Information - Do Not Release."

Equitrans is submitting its Form of Confidentiality and Protective Agreement as Exhibit Z-4 hereto. Pursuant to Section 388.112 of the Commission's regulations, Equitrans reserves the right to object to the disclosure of CEII or privileged information filed with the Commission.

XV. REQUEST FOR SHORTENED PROCEDURE

Equitrans requests that this Application be processed pursuant to a shortened procedure in accordance with Sections 157.6(c), 385.801, and 385.802 of the Commission's regulations. Equitrans respectfully requests that the Commission issue the approvals requested in this

[27] Due to COVID-19 pandemic restrictions, Equitrans is not providing paper copies of the Application at this time.

Application by February 28, 2023. Approval by February 28, 2023 is necessary to accommodate narrow construction windows due to weather issues and anticipated environmental and seasonal constraints on clearing trees and vegetation.

XVI. LANDOWNER NOTIFICATION

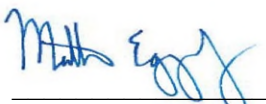
Pursuant to Section 157.6(d) of the Commission's regulations, Equitrans will notify all affected landowners within 3 business days following the date the Commission issues a notice of the application. The notification will include all of the information required by Section 157.6(d)(3) of the Commission's regulations. A copy of the landowner list is included as part of Volume 4 and is being submitted as privileged material. Additionally, Equitrans will publish notice of the application twice within 14 days after the date that a docket number is assigned to the application in a daily or weekly newspaper of general circulation.

XVII. CONCLUSION

For the foregoing reasons, Equitrans, L.P. respectfully requests that the Commission accept this Application for filing and issue a final order by February 28, 2023 granting the requested certificate of public convenience and any other required authorizations, including for the acquisition of the Cygrymus Compressor Station, as fully set forth in this Application.

Respectfully submitted

EQUITRANS, L.P.



Matthew Eggerding
Assistant General Counsel

Dated: January 28, 2022

DocuSign Envelope ID: 71A59EF2-4D74-4EE6-965C-B46B2BD24734

VERIFICATION

Commonwealth of Pennsylvania)
)
) SS
)
Washington County)

John M. Quinn, being duly sworn, upon his oath says that he is Vice President of Business Development & Commercial Services for Equitrans, L.P.; that he has read and is familiar with the foregoing "ABBREVIATED APPLICATION OF EQUITRANS, L.P. FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY" and has personal knowledge of the matters set forth therein; that the facts stated therein are true and correct to the best of his knowledge, information and belief; that the paper copy of the foregoing filing contains the same information as the electronic version; and that the activities proposed in said Request comply with the requirements of Part 157, Subpart F of the Federal Energy Regulatory Commission's Regulations Under the Natural Gas Act.

DocuSigned by:
John M. Quinn
D61C1BF4898746D...

John M. Quinn
Vice President, Business Development & Commercial Services