



NORTH CAROLINA
Environmental Quality

ROY COOPER
Governor

MICHAEL S. REGAN
Secretary

December 10, 2018

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

Re: Notice of Intervention/Motion to Intervene and Obtain Party Status to Proceedings for the Mountain Valley Pipeline, LLC, Southgate Project (Docket Nos. C19-14-000 and PF18-4-000).

Dear Ms. Bose,

Pursuant to Rule 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (Commission), 18 CFR §385.214, the North Carolina Department of Environmental Quality (Department or NCDEQ) respectfully provides notice of intervention and, in the alternative, moves to intervene in the Mountain Valley Pipeline, LLC Southgate Project (Southgate Project) proceeding (CP19-14-000). This filing is timely pursuant to the Notice issued by the Commission on November 19, 2018. For the reasons provided below, we ask the Commission to allow NCDEQ to intervene and participate as a party in this proceeding.

In 18 CFR § 385.214(a)(2) the Commission provides by rule that a water quality certification agency is a party to a proceeding upon the filing of a timely notice of intervention. NCDEQ is the North Carolina state agency with authority to review and issue 401 certifications statewide, including the Southgate Project. *See* N.C.G.S. § 143B-282(a)(1)(u) (authorizing the North Carolina Environmental Management Commission (EMC) to administer the State's authority to issue water quality certifications under Section 401 of the Clean Water Act) and 15A NCAC 2H .0500 (delegation of water quality certification authority by the EMC to NCDEQ).

Therefore, NCDEQ has a right to participate which is expressly conferred by the Commission's rules. In accordance with 18 CFR §385.214(b)(2)(i), NCDEQ hereby provides notice of intervention in this proceeding.

In addition, NCDEQ moves to intervene pursuant to 18 CFR § 385.214(a)(3). The following are NCDEQ's initial positions on the Mountain Valley Southgate Project and the Department's interests in this proceeding. As articulated during Pre-Filing, NCDEQ has concerns regarding the need for the Southgate Project and whether it is in the public convenience and necessity, to be evaluated according to the Commission's current policy statement on the certification of new



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natural gas transportation facilities under the Natural Gas Act. These concerns were previously provided to both Mountain Valley and the Commission in the Department's letter dated November 5, 2018, and submitted to the Pre-Filing Process Docket (PF18-4-000). In short, NCDEQ's concerns are that: (1) there is no demonstrable need or demand for the Southgate Project; (2) the Southgate Project does not satisfy the criteria for the Commission to deem it in the public interest; (3) the Southgate Project would create an excess supply of natural gas; (4) as of the date of this filing, the Southgate Project is not fully subscribed; and (5) the Southgate Project's only anchor shipper, Public Service Company of North Carolina, is an indirect affiliate of Mountain Valley Pipeline with direct interest in the Southgate Project.

NCDEQ moves to intervene because its participation is in the public interest. NCDEQ represents the interests of the citizens of North Carolina, which may be directly affected by the outcome of this proceeding. Pursuant to Articles 21, 21A and 21B of Chapter 143 of the North Carolina General Statutes, it is the duty of the Department to protect the environment and the public's health. In addition, the North Carolina State Energy Office, which resides within NCDEQ, is responsible for: (1) reviewing and developing programs and policies that ensure a sustainable energy future for the State's residents and advancing the deployment of renewable energy, alternative fuels and energy efficiency measures that foster competition, innovation, and job growth within the energy sector; (2) implementing, in part, the directives set out in Governor Roy Cooper's Executive Order 80 to address climate change and transition North Carolina to a clean energy economy; (3) supporting the work and activities of the North Carolina Energy Policy Council; and (4) evaluating the demand and need for proposed energy infrastructure investments and the impacts such energy projects may pose on both the environment and public health.

In sum, as articulated by the above-mentioned position and interests, and in accordance with Rule 214, 18 CFR §385.214(a)(2) and (a)(3), the North Carolina Department of Environmental Quality provides notice of intervention and, in the alternative, moves to intervene and be conferred party status as it pertains to the Mountain Valley Pipeline, LLC Southgate Project proceeding (Docket Nos. CP19-14-000 and PF18-4-000). All communications with NCDEQ should be directed to both Jennifer Mundt and me.

Sincerely,



Sheila Holman, Assistant Secretary for the Environment
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