News: US FERC authorizes start for 304-mile, 2 Bcf/d Mountain Valley gas pipe project

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- PHMSA finds pre-start requirements were met
- Pipeline adds outlet for Appalachian Basin supplies
- Developer sought June 11 FERC signoff

The US Federal Energy Regulatory Commission on June 11 granted permission for the 304-mile, 2 Bcf/d Mountain Valley natural gas pipeline project to start service, a day after the project informed FERC that the facilities were mechanically complete.

The project is expected to provide another outlet for Appalachian Basin gas supplies, increasing the ceiling for production particularly as more downstream pipe capacity is added.

FERC's approval, in a June 11 letter order, followed a notification from the Pipeline and Hazardous Materials Safety Administration that PHMSA would have no objection if FERC were to authorize in-service, according to a memo placed into the FERC docket.

Before securing FERC's OK, a key regulatory threshold had been the project's progress in meeting requirements of a consent order with the safety regulator, following concerns about coating and corrosion for pipeline that in some areas was stored in the field for years while the project was delayed.

PHMSA indicated June 11 that it received and reviewed results of pre-commissioning safety requirements, including a recent caliper run.

"MVP has completed all PHMSA pre-commissioning safety requirements and all of the provisions of the 2023 Consent Order and Agreement that were required to be fulfilled before the line is placed into service—however, a number of safety requirements remain after the initial start-up," a PHMSA spokesperson said in an email to S&P Global Commodity Insights June 11.

FERC's June 11 letter order, signed by Terry Turpin, director of the commission's Office of Energy Projects, found that Mountain Valley had adequately stabilized the areas disturbed by construction and that restoration and stabilization were "proceeding satisfactorily." He also noted the communications

In the runup to the decision, multiple nonprofits have urged FERC to hold off, citing a need for more transparency around the safety matters and concerns that final restoration was not far enough along.

Safety checks

According to PHSMA, additional safety checks still will be required following the start of operations. After the pipeline enters service, the operator must run a high-resolution magnetic flux leakage interial mapping unit caliper tool within 90 days, the PHMSA spokesperson said.

Within six months, MVP must perform close interval surveys of the entire pipeline system and, within a year, run an additional IMU tool. A comparative strain analysis test is also required.

The safety regulator also plans to review startup operating data to ensure the pipeline is operating within normal parameters in order for the line to continue operating, the PHMSA spokesperson said.

The long-contested pipeline project drew additional public scrutiny this spring after a rupture occurred during hydrostatic testing on May 1. According to PHMSA, metallurgical analysis of the mechanical fitting that failed is ongoing, and one other similarly manufactured component has been removed as a precaution.

The agency expects to have staff monitoring the pipeline in person, once the line is placed into service.

The PHMSA on Oct. 3, 2023, reached a consent agreement with operator Equitrans Midstream on integrity inspections to address concerns over the pipeline's coating and corrosion. That followed warnings from local groups worried about safety risks from pipeline stored for years in the field, risks of corrosion and dangers associated with land movement along the route's steep slopes.