Press Release
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New Study Undercuts MVP Economic Benefits Claims

A new study by Key-Log Economics ("Reason for Caution: Mountain Valley Pipeline Economic Studies Overestimate Benefits, Downplay Costs") casts strong doubts on the claims made by MVP for economic benefits of the pipeline in Virginia and West Virginia. This new report shows that previous studies exaggerate the benefits and largely ignore the public and external costs attending the construction, operation and presence of the MVP.

When FTI Consulting released MVP-funded reports in 2014 describing the purported economic benefits of the Mountain Valley Pipeline, it included disclaimers that, "There is no assurance by anyone that this information is accurate or complete" and that FTI would not vouch for "the completeness and achievability of the projected financial data, information and assessments."

"The FTI studies are a form of magical thinking," said Angela Stanton of Preserve the New River Valley. "They overestimate the potential benefits and ignore the costs. It's like trying to balance your checkbook by fantasizing your income and ignoring your expenses."

Central findings of the Key-Log Economics critique were that the FTI reports for MVP:

- Over-estimate "construction benefits" to the MVP region
- Overestimate total employment effects of pipeline operation and maintenance
- Overstate benefits from fuel switching, which appear unlikely to occur
- Overstate financial benefits to local governments.
- Do not provide sufficient information to support a decision to permit the Mountain Valley Pipeline. A full accounting of public and external costs is needed.

Costs ignored by the FTI reports include reduced landscape productivity, diminished property values, diminished economic development opportunities and reduced desirability of the pipeline-affected region as a destination of choice for businesses and residents. Other impacts include increased community services costs due to damage to roads and bridges and greater need for emergency services. All of these add to the costs of the Mountain Valley Pipeline and clearly show that natural gas development and operations can upset the economic apple cart in local communities.

The study conducted by Key-Log Economics was sponsored by a variety of citizen grassroots and community organization groups in Virginia and West Virginia , including: Blue Ridge Land Conservancy; Greenbrier River Watershed Association; Preserve Bent Mountain; Preserve Craig; Preserve Franklin County; Preserve Giles County; Preserve Greenbrier; Preserve Monroe; Preserve Montgomery County VA; Preserve the New River Valley; Preserve Roanoke; Roanoke Valley Cool Cities Coalition; Summer County Residents the Against Pipeline; Greenbrier River Watershed Association; Roanoke Group, New River Group and Virginia Chapter of the Sierra Club; and the Virginia Citizens Consumer Council.

The complete report by Spencer Phillips, Ph.D., of Key-Log Economics is attached to this release.