

**MEMORANDUM OF AGREEMENT
FOR COMPREHENSIVE MITIGATION OF VIRGINIA RESOURCE IMPACTS
OF MOUNTAIN VALLEY PIPELINE**

THIS MEMORANDUM OF AGREEMENT FOR COMPREHENSIVE MITIGATION OF VIRGINIA RESOURCE IMPACTS OF MOUNTAIN VALLEY PIPELINE (this “Agreement”) is entered as of this 22nd day of December, 2017, by and between the Commonwealth of Virginia (the “Commonwealth”) and Mountain Valley Pipeline, LLC (“MVP”) (each a “Party” and jointly the “Parties”).

RECITALS

A. Description of the Project. MVP is a joint venture between EQT Midstream Partners, LP, US Marcellus Gas Infrastructure, LLC, WGL Holdings, Inc., Con Edison Gas Midstream, LLC, and RGC Midstream, LLC. The Federal Energy Regulatory Commission (“FERC”) has issued a Certificate of Public Convenience and Necessity (“CPCN”) pursuant to Section 7(c) of the Natural Gas Act for the Mountain Valley Pipeline project, an approximately 488.3-kilometer (303.4-mile), 106.7-centimeter (42-inch) diameter natural gas pipeline to be constructed in 17 counties in Virginia and West Virginia (“Project”).

B. Commonwealth’s Commitment to Environmental Protection. At all times relevant to the Project, the Commonwealth, through the Office of the Governor and the Office of the Secretary of Natural Resources and its agencies, has expressed a strong and consistent commitment to proper environmental protections, including thorough evaluation and regulation under the most comprehensive environmental review process ever conducted by the Commonwealth for the construction of an underground utility pipeline, whether for natural gas or other products that are also routinely transported by pipeline in Virginia such as petroleum products, chemicals, industrial and municipal wastewater, and drinking water. In furtherance of the Commonwealth’s commitment to environmental protection and enhancement of natural resources, the expenditure of mitigation funds under this Agreement includes consultation with the state agencies that have expertise in the appropriate areas associated with such mitigation.

C. Process for Federal & State Authorizations. The Project has been or continues to be reviewed and regulated pursuant to numerous authorities, including without limitation pursuant to the Natural Gas Act, the National Environmental Policy Act, the Endangered Species Act, and the Clean Water Act, under which the Commonwealth has applied an intensive review process for imposing additional water quality certification conditions designed to avoid, minimize, and mitigate impacts from interstate natural gas pipeline construction.

D. Implementation of Mitigation Hierarchy. Project planning efforts followed the mitigation hierarchy by taking all practicable steps first to avoid and minimize impacts of the Project. Where avoidance was not possible, MVP developed onsite mitigation measures and worked with relevant Virginia and federal agencies to establish compensatory mitigation measures, including the significant measures established by this Agreement.

E. Technical Basis of Agreement. This Agreement is the direct result of cooperation by MVP with the Commonwealth in response to the Environmental Impact Statement prepared as part of the National Environmental Policy Act review process, Endangered Species Act Section 7 consultation, and MVP's commitment to the Migratory Bird Treaty Act concerning migratory birds and their habitat. Specific consideration was given both to the results the Habitat Equivalency Analysis methodology used by the U.S. Fish and Wildlife Service, the U.S. Forest Service, and the Bureau of Land Management and employed by MVP and to additional Virginia-specific methodologies employed by the Virginia Department of Conservation and Recreation, Virginia Department of Forestry, and Virginia Department of Game and Inland Fisheries to further analyze and design compensatory mitigation for forest fragmentation in the Commonwealth. This Agreement establishes commitments related to forest conservation and water quality based on consideration of the impacts from forest fragmentation.

F. Mutual Interests in Comprehensive Mitigation. This Agreement serves the mutual interests of the Parties in establishing a comprehensive, exceptional approach for compensatory mitigation that is at least commensurate with the Project's impacts and which fully meets the Commonwealth's natural resources objectives in the context of the Project.

G. No Guaranty of Regulatory Approvals. For clarity, this Agreement provides no guaranty, right or entitlement of any kind that the Commonwealth (including any of its administrative agencies or other instrumentalities) will grant any or all required permits, certifications, consents, authorizations or other approvals of any kind that may be required for the Project (the "State Approvals"). Any required State Approvals shall be an entirely separate matter to be considered by the relevant authorities in full compliance with applicable laws and regulations. However, if the Project proceeds, it is the purpose of this Agreement to commit the Parties to and thereby assure implementation of the comprehensive compensatory mitigation framework memorialized in this Agreement.

NOW, THEREFORE, in satisfaction of Parties' responsibilities to ensure mitigation of the impacts of the Project, the Parties agree as follows:

AGREEMENT

1. Comprehensive Mitigation Amount. The Commonwealth requests, and MVP agrees to promptly pay, a compensatory mitigation payment in the total amount of **Twenty Seven Million Five Hundred Thousand Dollars (\$27,500,000)** for the purpose of providing comprehensive mitigation of adverse impacts to, and to otherwise benefit, natural resources in Virginia, subject to the terms and conditions established herein (the "Mitigation Amount").

2. Forest Conservation. Out of the total Mitigation Amount established in Paragraph 1, MVP shall pay the amount of **Twenty Million Dollars (\$20,000,000)** to the entities and in the allocated amounts and by the deadlines set forth in Paragraph 2.a. The Parties further agree that such amount fully satisfies any and all mitigation responsibilities related to and otherwise fully offsets the direct or indirect forest-related impacts of the Project in Virginia. The following specific conditions and restrictions shall apply to the use and expenditure of such funds:

a. MVP agrees to promptly transfer funds in the amount of \$15,000,000 to the Virginia Outdoors Foundation to be held as a special fund pursuant to Va. Code § 10.1-1801(4) and \$5,000,000 to the U.S. Endowment for Forestry and Communities (each a “Forest Mitigation Partner”). Such transfer shall be accomplished by payment of the invoices at Attachment A to the Forest Mitigation Partner in the above amounts. MVP shall pay each invoice before it undertakes substantial tree clearing and grubbing activities for the pipeline route in Virginia, which shall mean completion of the first linear mile (cumulative) of such activities, the intent being to fully fund the mitigation at the earliest stage of such activities.

b. The Commonwealth shall work with the Forest Mitigation Partners and determine project selection criteria and a process for evaluating appropriate sites that are consistent with state agency mitigation standards and practices and national standards for mitigation articulated by a wide range of federal agencies. The Forest Mitigation Partners will identify sites that meet the criteria and carry out projects designed to address the impacts of the Project on forestlands in the Commonwealth. All projects will be within a reasonable proximity to, and within the same terrestrial ecoregion as, the location of forest impacts; will achieve the durable restoration and/or enhancement of forest habitats similar to those adversely impacted by the Project; and will be in addition to any current or planned government action or requirement or preservation project for which there is already designated public or private funding.

c. From the funds provided to each Forest Mitigation Partner under Paragraph 2.a., an amount not to exceed five percent (5%) thereof may be expended by each to defray its costs and expenses for the administration of this Agreement and oversight of its related mitigation activities.

3. Water Quality. Out of the total Mitigation Amount established in Paragraph 1, MVP shall pay the amount of **Seven Million Five Hundred Thousand Dollars (\$7,500,000)** to entities and in the allocated amounts and by the deadlines set forth in Paragraph 3.a., 3.b., and 3.c. The following specific conditions and restrictions shall apply to the use and expenditure of such funds:

a. MVP agrees to transfer funds in the amount of \$3,850,000 to the Virginia Association of Soil and Water Conservation Districts and \$3,000,000 to the Virginia Environmental Endowment (each a “Water Quality Mitigation Partner”). Such transfer shall be accomplished by payment of the invoices at Attachment B to the Water Quality Mitigation Partners in the above amounts. MVP shall pay each invoice before it undertakes substantial tree clearing and grubbing activities for the pipeline route in Virginia, which shall mean completion of the first linear mile (cumulative) of such activities, the intent being to fully fund the mitigation at the earliest stage of such activities. The Water Quality Mitigation Partners shall use such funds exclusively for the following purposes and subject to the following conditions and restrictions:

i. The Commonwealth shall work with the Water Quality Mitigation Partners and determine project selection criteria and a process for evaluating appropriate projects that is consistent with state water quality protection, restoration, and improvement priorities. The Parties agree that such amount fully satisfies any and all mitigation responsibilities related to and

otherwise fully offsets all water quality impacts of the Project, if any, that are not otherwise avoided by MVP's construction methods and environmental protection measures.

ii. Funds provided to the Virginia Association of Soil and Water Conservation Districts under this Subparagraph 3.a. shall be restricted to structural water quality improvement practices in localities or watersheds with substantial Project construction activities, it being the intent to provide water quality improvements in proximity to the Project activities. Further, such funds shall be restricted to making implementation grants or transfers to individual Soil and Water Conservation Districts to carry out the purposes of this Agreement.

iii. From the funds provided to the Virginia Environmental Endowment under Paragraph 3.a., an amount not to exceed five percent (5%) thereof may be expended by the Virginia Environmental Endowment to defray costs and expenses for the administration of this Agreement and oversight of its related mitigation activities. From the funds provided to the Virginia Association of Soil and Water Conservation Districts under Paragraph 3.a., an amount not to exceed three percent (3%) thereof may be expended by the Virginia Association of Soil and Water Conservation Districts to defray costs and expenses for the administration of this Agreement, and an amount not to exceed eight percent (8%) thereof may be expended by each Soil and Water Conservation District that receives funding from the Virginia Association of Soil and Water Conservation Districts to defray costs and expenses for the administration of this Agreement and oversight of its related mitigation activities.

b. Enhanced Water Quality Monitoring. MVP agrees to transfer funds in the amount of \$650,000 to the United States Geological Survey ("USGS") to pay for water quality monitoring requirements of the Commonwealth. MVP shall pay such invoice within thirty (30) days of the date of receipt.

4. Additional Requirements & Contingencies. The Parties agree to the following additional requirements and procedures for contingencies to implement the mitigation objectives of this Agreement.

a. Conditions Applicable to Mitigation Partners. The Commonwealth's goal is for the Forest Mitigation Partners and the Water Quality Mitigation Partners to receive, obligate and expend the mitigation funds paid by MVP under this Agreement in a manner that furthers the goals and objectives of this Agreement. As further assurance to the Commonwealth that the Forest Mitigation Partners or Water Quality Mitigation Partners will fully cooperate with the Commonwealth in the performance of its mitigation efforts, and as assurance to MVP of its right to the return of the Mitigation Amount under the limited circumstances set forth in this Paragraph 4 of this Agreement, each such partner entity shall be required to execute a binding and enforceable Mitigation Partner Memorandum of Agreement substantially in the form shown in Attachment C hereto prior to its receipt of mitigation funds hereunder. If any such partner entity were to refuse to execute such agreement in a timely manner, the Commonwealth may elect to seek a modification, including a substitute mitigation partner, pursuant to this Paragraph 4. MVP shall have no responsibility of any kind for the failure of any partner entity to execute such agreement in a timely manner, to accept funds that MVP is ready and willing to transfer pursuant to this Agreement, to comply with this Agreement, or to meet the expectations of the Commonwealth,

nor shall any such failure by a mitigation partner in any way delay, impair or prevent MVP from proceeding with the Project.

b. Mitigation Investment Modifications. The priorities identified for and the allocations of the Mitigation Amount set forth in this Agreement reflect the full extent of natural resources-related mitigation measures and investments contemplated for the Project by the Parties. To the extent that either Party identifies revised or additional mitigation measures relevant to the Project and of potential benefit to the natural resources in Virginia, either Party may propose a reallocation of the Mitigation Amount in furtherance thereof through re-prioritization or re-allocation of the Mitigation Amount. In addition, the Commonwealth may propose to terminate any mitigation partner and propose a substitute mitigation partner, if any mitigation partner delays or fails to meet the Commonwealth's expectations for the implementation of this Agreement. In the event of such substitution or termination, the original mitigation partner shall deliver to MVP, within thirty (30) days of receipt of written notice of substitution or termination by the Commonwealth, all remaining funds that are unobligated as of the date of such notice. In no event shall the amount of remaining funds to be returned be less than the amount that the mitigation partner would be required to return under this Agreement if MVP had terminated the Project. Returned mitigation funds shall not revert to MVP and instead shall be redirected to other mutually agreeable mitigation purposes. The Parties agree to give reasonable and timely consideration to any such proposed modifications and, in the event of agreement, memorialize any modification to the mitigation measures and investments only in accordance Paragraph 5.

c. Return of Remaining Mitigation Amount in Event of Termination. In the event that MVP terminates the Project, whether in the unanticipated event that the Project fails to obtain and maintain the State Approvals or any other necessary permits, certifications, consents, authorizations and other approvals or for any other reason in MVP's sole discretion, each of the Forest Mitigation Partners and the Water Quality Mitigation Partners shall deliver a proportionate share of the Mitigation Amount in accordance with this Paragraph 4 to MVP within thirty (30) days of receipt of written notice of termination from MVP. Such proportionate share to be returned to MVP shall be calculated, preserved and, in the event of termination, returned based upon the number of miles of the pipeline route in Virginia for which tree clearing and grubbing activity remains to be performed compared to the total number of miles of the pipeline route requiring such activities in Virginia as part of the Project. For example, if MVP terminates the Project after having tree-cleared and grubbed 25 miles of the route, and further assuming for the sake of example that the total number of miles of the pipeline route requiring such activities in Virginia is 50 miles, then each partner would be responsible for returning to MVP one-half (determined by dividing 25 miles by 50 miles) of the portion of the Mitigation Amount that it received from MVP.

5. Miscellaneous Provisions.

a. Governing Law; Interpretation. This Agreement shall be construed in accordance with and governed for all purposes by the laws of the Commonwealth of Virginia. This Agreement shall be interpreted as if it were mutually drafted by the Parties. The captions and headings to the various paragraphs and subparagraphs of this Agreement are for informational purposes only and shall not alter the substance of the terms and conditions of this Agreement.

b. Integration; Modification. This Agreement contains all commitments and agreements of the Parties as of the date hereof with respect to the subject matter of this Agreement, and no verbal or written commitments other than this Agreement shall have any force or effect regarding the subject matter hereof. This Agreement may be amended only by the signed written consent of both Parties.

c. No Enforcement by Third Parties. Notwithstanding the identification of certain non-governmental entities to receive and administer mitigation funding provided under this Agreement, this Agreement shall not be construed as granting to those entities any legal or equitable right, remedy, or claim against the Commonwealth or MVP arising out of this Agreement.

d. No Waiver. By entering into this Agreement, MVP does not waive any procedural or substantive rights, claims or defenses of any kind related to any State Approvals or any other required permit, certification, consent, authorization or other approval of any kind that may be required for the Project.

e. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties further agree that a facsimile, scanned or other electronic signature may substitute for and have the same legal effect as an original signature, and that any copy of this executed Agreement made by photocopy, facsimile, or scanner shall be considered an original.

f. Power and Authority of the Parties. Each of the Parties represents and warrants that the undersigned has full power and authority to enter into and perform this Agreement on its behalf.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed in their names and on their behalf by the undersigned.

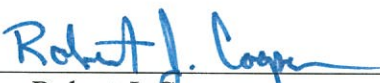
COMMONWEALTH OF VIRGINIA

By: Molly Joseph Ward 12-28-17
Molly Joseph Ward
Secretary of Natural Resources

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

**SIGNATURE PAGE TO MEMORANDUM OF AGREEMENT
FOR COMPREHENSIVE MITIGATION OF VIRGINIA RESOURCE IMPACTS
OF MOUNTAIN VALLEY PIPELINE BY AND BETWEEN THE
COMMONWEALTH OF VIRGINIA AND MOUNTAIN VALLEY PIPELINE, LLC**

MOUNTAIN VALLEY PIPELINE, LLC
by and through its operator,
EQM Gathering Opco, LLC

By:  _____
Robert J. Cooper
Senior Vice President

[END OF SIGNATURES]

ATTACHMENT A
MOUNTAIN VALLEY PIPELINE MITIGATION INVOICES
FOR
FOREST MITIGATION PARTNERS

INVOICE

To:

Mountain Valley Pipeline, LLC
625 Liberty Ave., Suite 1700
Pittsburgh, PA 15222

Amount Due:

\$15,000,000.00

Description:

Mitigation pursuant to (1) Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline and (2) Mountain Valley Pipeline Mitigation Partner Memorandum of Agreement.

Terms & Conditions:

By its receipt and use of funds paid under this invoice, recipient acknowledges and agrees to all terms and conditions of the Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline and the applicable Mountain Valley Pipeline Mitigation Partner Memorandum of Agreement.

Payable to:

Virginia Outdoors Foundation
39 Garrett St., Suite 200
Warrenton, VA 20186

INVOICE

To:

Mountain Valley Pipeline, LLC
625 Liberty Ave., Suite 1700
Pittsburgh, PA 15222

Amount Due:

\$5,000,000.00

Description:

Mitigation pursuant to (1) Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline and (2) Mountain Valley Pipeline Mitigation Partner Memorandum of Agreement.

Terms & Conditions:

By its receipt and use of funds paid under this invoice, recipient acknowledges and agrees to all terms and conditions of the Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline and the applicable Mountain Valley Pipeline Mitigation Partner Memorandum of Agreement.

Payable to:

U.S. Endowment for Forestry and Communities
908 E. North Street
Greenville, SC 29601

ATTACHMENT B
MOUNTAIN VALLEY PIPELINE MITIGATION INVOICES
FOR
WATER QUALITY MITIGATION PARTNERS

INVOICE

To:

Mountain Valley Pipeline, LLC
625 Liberty Ave., Suite 1700
Pittsburgh, PA 15222

Amount Due:

\$3,850,000.00

Description:

Mitigation pursuant to (1) Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline and (2) Mountain Valley Pipeline Mitigation Partner Memorandum of Agreement.

Terms & Conditions:

By its receipt and use of funds paid under this invoice, recipient acknowledges and agrees to all terms and conditions of the Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline and the applicable Mountain Valley Pipeline Mitigation Partner Memorandum of Agreement.

Payable to:

Virginia Association of Soil and Water Conservation Districts
7308 Hanover Green Drive, Suite 100
Mechanicsville, Virginia 23111

INVOICE

To:

Mountain Valley Pipeline, LLC
625 Liberty Ave., Suite 1700
Pittsburgh, PA 15222

Amount Due:

\$3,000,000.00

Description:

Mitigation pursuant to (1) Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline and (2) Mountain Valley Pipeline Mitigation Partner Memorandum of Agreement.

Terms & Conditions:

By its receipt and use of funds paid under this invoice, recipient acknowledges and agrees to all terms and conditions of the Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline and the applicable Mountain Valley Pipeline Mitigation Partner Memorandum of Agreement.

Payable to:

Virginia Environmental Endowment
919 East Main Street, Suite 1070
Richmond, VA 23219

ATTACHMENT C

**MOUNTAIN VALLEY PIPELINE MITIGATION PARTNER
MEMORANDUM OF AGREEMENT**

**MOUNTAIN VALLEY PIPELINE MITIGATION PARTNER
MEMORANDUM OF AGREEMENT**

THIS MOUNTAIN VALLEY PIPELINE MITIGATION PARTNER MEMORANDUM OF AGREEMENT (this “MOA”) is executed effective this ____ day of _____, 20____, by _____ (the “Mitigation Partner”).

RECITALS

A. The Commonwealth of Virginia (the “Commonwealth”) and Mountain Valley Pipeline, LLC (“MVP”) are parties to a certain Memorandum of Agreement for Comprehensive Mitigation of Virginia Resource Impacts of Mountain Valley Pipeline dated December 22, 2017 (the “Mitigation Agreement”).

B. The Mitigation Agreement contemplates the transfer of funds from MVP to certain identified public bodies and non-profit organizations willing to undertake certain mitigation efforts as described therein, including to the Mitigation Partner.

C. The Mitigation Partner desires to receive certain funds and undertake certain mitigation efforts subject to the terms and conditions of the Mitigation Agreement.

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which the Mitigation Partner acknowledges, the Mitigation Partner agrees as follows:

1. Consent to Be Bound to Mitigation Agreement. The Mitigation Partner covenants, promises, and agrees that it shall hereby be bound by all terms and conditions of the Mitigation Agreement as if the Mitigation Partner had been an original party thereto, including without limitation any and all conditions or limitations pertaining to receipt and use of funds, project selection criteria, project evaluation process, and the preservation and, if applicable, return of funds to MVP in the event of Project termination.

2. Termination by Mitigation Partner. The Mitigation Partner may terminate this MOA upon thirty (30) days written notice to the Commonwealth and MVP, in which event the Mitigation Partner shall deliver to MVP, immediately upon termination, all remaining funds that are unobligated as of the date of termination. In no event shall the amount of remaining funds to be returned be less than the amount that the Mitigation Partner would be required to return under the Agreement if MVP had terminated the Project.

3. Miscellaneous Provisions.

a. Governing Law; Interpretation. This MOA shall be construed in accordance with and governed for all purposes by the laws of the Commonwealth of Virginia. All terms used herein shall have the meanings ascribed to such terms in the Mitigation Agreement. The captions and headings to the various paragraphs and subparagraphs of this MOA are for

informational purposes only and shall not alter the substance of the terms and conditions of this MOA.

b. Integration; Modification. This MOA, together with the Mitigation Agreement, contains all commitments and agreements of the Mitigation Partner as of the date hereof with respect to the subject matter of this MOA, and no verbal or written commitments other than this MOA shall have any force or effect regarding the subject matter hereof. This MOA may be amended only by the signed written consent of the Mitigation Partner and both parties to the Mitigation Agreement.

c. No Right to Demand Payment. This MOA shall not be construed as granting to the Mitigation Partner any legal or equitable right, remedy, or claim against the Commonwealth or MVP to demand payment of any portion of the Mitigation Amount established under the Mitigation Agreement, but that upon receipt of such payment this MOA shall become enforceable against the Mitigation Partner.

d. Originals. A facsimile, scanned or other electronic signature may substitute for and have the same legal effect as an original signature, and any copy of this executed MOA made by photocopy, facsimile, or scanner shall be considered an original.

e. Power and Authority. The Mitigation Partner represents and warrants that the undersigned has full power and authority to enter into and perform this MOA on its behalf.

IN WITNESS WHEREOF, the Mitigation Partner has caused this MOA to be signed in its name and on its behalf by the undersigned.

[MITIGATION PARTNER ENTITY]

By: _____
[Name]
[Title]