

Cumberland Project Frequently Asked Questions

1) What is the Cumberland Project?

The Cumberland Project (Project) includes the construction of an approximately 32 mile, 30-inch pipeline lateral originating from Tennessee Gas Pipeline's (TGP) existing 100 Line in Dickson County, Tennessee and terminating at the Tennessee Valley Authority (TVA)-proposed power plant in Stewart County, Tennessee. The pipeline lateral would be located generally parallel and adjacent to an existing utility transmission corridor.

2) What is the purpose of the Cumberland Project?

The proposed Cumberland Project will provide up to 245,000 dekatherms per day of additional natural gas transportation to the TVA. TVA is evaluating several options to replace capacity following the retirement of an existing coal-fired plant as part of a notice of intent (NOI) process for an Environmental Impact Statement (EIS) that TVA is preparing.¹ As described in the NOI, TVA proposes to retire one Cumberland Fossil Plant (CUF) unit as early as 2026, but no later than 2030, and a second unit as early as 2028 but no later than 2033.

To recover the generation capacity lost from the retirement of one CUF unit, TVA is proposing the addition of 1,450 megawatts (MW) of replacement generation² to maintain adequate reserves on the TVA system. This replacement generation would need to be in commercial operation prior to the retirement of the first CUF unit. In its EIS, TVA is considering three options for replacement capacity for its retirement and replacement project. TGP's proposed Project would serve Alternative A identified in TVA's NOI, which involves the construction and operation of a Combined Cycle Combustion Turbine Gas Plant on the same site as the CUF.³

3) What facilities are associated with the Cumberland Project?

In addition to the pipeline, the Cumberland Project includes the construction of the following aboveground facilities: (i) a meter station to be located on the western end of the proposed pipeline; (ii) bi-directional back pressure regulation facilities on TGP's 100-1 Line; (iii) in-line inspection traps at each end of the proposed pipeline; and (iv) one mainline valve to be located at an intermediate location along the proposed pipeline.

4) What is the TGP?

TGP is one of the largest interstate natural gas pipeline systems in the United States. It transports natural gas from production basins in the Northeastern and Northcentral United States across 15 states to markets throughout the country. Owned and operated by Kinder Morgan, TGP is an approximately 11,775-mile pipeline system.

Notice of Intent, TVA May 11, 2021, available at, https://tva-azr-eastus-cdn-ep-tvawcm-prd.azureedge.net/cdntvawcma/docs/default-source/environment/environmental-stewardship/nepa-environmental-reviews/cumberland-retirement/2021-09945_fr_0511202107f98de0-9eab-471e-8ddc-580ee4601b3f.pdf?sfvrsn=e368d9c3_5. Id.

The other two alternatives that TVA is evaluating for replacement capacity are: (i) the retirement of CUF and the construction and operation of Simple Cycle Combustion Turbines Gas Plants at alternative locations ("Alternative B") and (ii) retirement of CUF and construction and operation of Solar and Storage Facilities, primarily at alternate locations ("Alternative C").

5) Who is Kinder Morgan?

Kinder Morgan is one of the largest energy infrastructure companies in North America, owning an interest in or operating approximately 83,000 miles of pipelines and 44 terminals. Kinder Morgan's pipelines transport natural gas, gasoline, crude oil, carbon dioxide (CO₂) and more. Our terminals store and handle renewable fuels, petroleum products, chemicals, vegetable oils and other products.

In the state of Tennessee, Kinder Morgan operates approximately 1,300 miles of pipelines and two terminals. Kinder Morgan employs over 120 people in Tennessee.

6) What regulatory agencies will oversee the Cumberland Project?

A number of federal and state agencies will be involved in the oversight and approval of the Cumberland Project including, but not limited to, the Federal Energy Regulatory Commission (FERC), U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, Tennessee Department of Environment and Conservation, and the Tennessee Historical Commission. In addition, the FERC will engage in government-to-government consultations with Native American tribes, as applicable.

7) Where does this whole process stand in terms of permitting? What is the process?

Prior to constructing a project like this, TGP is required to apply to the FERC for a certificate to construct and operate the proposed facilities under the federal Natural Gas Act. The FERC is the federal agency with the authority to regulate the construction and operation of interstate natural gas pipelines, such as TGP. Prior to submitting the application for a certificate for the Project, TGP requested to participate in the FERC's pre-filing process for the Project in October 2021. The FERC has assigned Docket No. PF22-2-000 to the Project's pre-filing process. The pre-filing process includes TGP conducting open houses for interested stakeholders, including affected landowners, to learn more about the Project, and FERC-conducted scoping meetings for the FERC to gather comments on the proposed Project from interested stakeholders. TGP anticipates that it will submit the certificate application for the Project to the FERC in the second quarter of 2022.

As part of the Certificate Application, TGP is required to demonstrate that the Project is required to meet the public need, which is referred to by FERC as "public convenience and necessity".

In addition, TGP will seek other applicable federal and state permits and authorizations for specific aspects of the Project, such as erosion and sediment control, waterbody and wetlands crossings, etc. The process and timing of other applicable federal and state permits will occur concurrently with the FERC process.

8) What is Kinder Morgan's safety record?

Kinder Morgan is committed to public safety, protection of the environment and operation of its facilities in compliance with all applicable rules and regulations. The majority of its pipelines fall under the regulatory oversight of PHMSA. Kinder Morgan is proud of its safety record and its compliance with all applicable safety regulations.

9) When is the Cumberland Project expected to be placed into service?

Pending the receipt of all required permits and clearances, Project construction is scheduled to begin in August 2024, with an expected in-service date of September 1, 2025.

10) What is the usual width of the pipeline right of way?

A pipeline normally requires a permanent right-of-way that is 50-feet wide. During construction, an additional 50-feet of temporary workspace next to the permanent right-of-way will be required. TGP will also need additional temporary workspace in certain areas such as road, railroad, river, and wetland crossings to store construction materials and to accommodate safe and environmentally responsible construction activities. Once construction is complete, the temporary workspace will be restored as close as practicable to its original condition and returned to the landowner.

11) Can landowners utilize the right-of-way after construction is completed?

Yes. Following completion of pipeline construction and restoration of the right-of-way, the landowner still may use the land over the pipeline for most purposes, including agriculture. The landowner may plant smaller shrubs, flowers, bushes and grasses on the right-of-way. Working with the company, landowners can also build access roads across the pipeline right-of-way. Landowners are not permitted to construct buildings or structures, or plant deep-rooted trees in the permanent right-of-way, as this may impede safe operation and continued monitoring of the pipeline.

12) How safe is transporting natural gas through an underground pipeline? What measures does Kinder Morgan or its partners take to ensure safe operations of the pipeline?

Statistics gathered by the National Transportation Safety Board, a federal agency, indicate that pipelines make up less than one one-hundredth of one percent (.01%) of all transportation accidents in the United States. There are approximately 300,000 miles of natural gas transmission pipelines throughout the United States that deliver safe, reliable natural gas to American families and businesses. Kinder Morgan meets and exceeds hundreds of regulations and procedures to regularly monitor, test and inspect the mechanical and operational integrity of our pipelines. Kinder Morgan monitors its pipelines 24 hours a day, seven days a week and 365 days a year. Additional safety efforts include electronic surveillance systems, visual inspections of right-of-way, as well as internal inspections using sophisticated computerized equipment called "smart pigs".

13) Where can I find additional information?

TGP has also launched a Project website and established a toll-free number for stakeholder inquiries:

Website: <u>https://www.kindermorgan.com/Operations/Projects/cumberland-project</u> Toll-free number: 1 (866) 775-5787 Email: <u>cumberlandproject@kindermorgan.com</u>