

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

OFFICE OF ENERGY PROJECTS

In Reply Refer To:
OEP/DG2E/Gas 4
Rover Pipeline, LLC
Rover Pipeline Project
Docket No. CP15-93-000
§ 375.308(x)

May 10, 2017

Joey Mahmoud
Senior Vice President
Rover Pipeline LLC
1300 Main Street
Houston, TX 77002

Re: Tuscarawas River Horizontal Directional Drill Inadvertent Release

Dear Mr. Mahmoud:

Based on consultation with our Third-Party Compliance Monitor (Compliance Monitor), field research by Commission staff, and review of weekly construction reports, we are requiring the measures discussed below with respect to actions by Rover Pipeline LLC (Rover) on horizontal directional drilling (HDD) along its project. **Pending a further staff order, Rover may only conduct HDD activities as identified in the attached table. Rover may not conduct activities related to any of the remaining Rover Pipeline Project HDDs where drilling activity has not yet commenced until it complies with the measures outlined below and receives authorization from Commission staff.**¹

On April 13, 2017, Rover alerted the Ohio Environmental Protection Agency and FERC's Compliance Monitor that it had located an inadvertent return of drilling fluid while completing the HDD of the Tuscarawas River (approximate milepost 42 of

¹ The attached table is based on the Rover Pipeline Project HDDs that staff considers to be currently underway. In these locations, stopping drilling activities may result in the loss of the bore hole and could cause more prolonged environmental impacts. As a result, Rover is authorized to complete drilling activities for these HDDs. The table also identifies the locations where HDD activities have not yet commenced. As discussed herein, Rover may not proceed with any activities at those locations until further authorized by Commission staff.

Mainlines A and B, Stark County, Ohio). Two days later, on April 15, 2017, Rover alerted Commission staff of the release. The HDD release resulted in the deposition of approximately 2 million gallons of bentonite-based drilling fluid into wetland W1M-ST-180, a state-designated category 3 wetland. The release covered an area of approximately 6.5 acres, coating wetland soils and vegetation with bentonite clay and bore-hole cuttings.

Commission staff has reviewed information from the Compliance Monitor, drilling logs, geotechnical bore logs of the subsurface geology, and staff's on-site inspection. According to drilling logs, returns of drilling mud were absent or intermittent during the majority of the completion of: the pilot drill, the 30-inch-diameter ream, and the 42-inch-diameter ream. This encompassed a period of nearly three weeks. During this period of absent (or intermittent) returns to the drilling rig, Rover continued to advance the drilling activities. Based on this information, as well as the volume, extent, and condition of drilling mud in the wetland, staff has serious concerns regarding the magnitude of the incident (which was several orders of magnitude greater than other documented HDD inadvertent returns for this project), its environmental impacts, the lack of clarity regarding the underlying reasons for its occurrence, and the possibility of future problems. Given that the site of the release occurred near, and extended over Rover's approved centerline, a stoppage of additional drilling is warranted to facilitate a review of Rover's efforts to search for and locate any potential releases.

Therefore, to ensure the protection of all environmental resources during construction of the project and under the delegated authority stipulated in Condition 2 of the Commission's February 2, 2017 order issued in the above-reference docket, we are prohibiting Rover from drilling activities where HDDs have not commenced, as shown in the attached table, and are requiring Rover to immediately obtain independent third-party contractor proposals to further analyze all drilling activity at the Tuscarawas River HDD.

The scope of work for the analysis is to assess the actions taken by Rover and its drilling contractor in attempting to prevent the release or identify it in a manner that could have avoided and minimized the extent of impacts on a sensitive resource, and to determine whether Rover's actions were consistent with its *Horizontal Directional Drill Contingency Plan*. The review is to encompass all actions taken from the beginning of the Tuscarawas River drill, throughout the drill effort, and ending with the development and initiation of the plan for restoring the wetland. Such review must include the daily reports prepared by Rover's environmental inspectors and the date, time, location, and duration of efforts of the environmental inspector or other crews in attempting to identify the site of any releases. Based on this information, the selected contractor will develop a plan detailing the measures that Rover can put into place to ensure that the same level of impacts do not occur on the remaining HDDs during project construction. Solicitations for contractors must be developed in accordance with the Commission's August 2016 Handbook for using Third Party Contractors. Commission staff will select the contractor

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after having reviewed the proposals to ensure that the candidate contractor is capable of impartially performing the environmental services required under the third-party contract.

Commission staff will have complete control over the scope, content, and quality of the contractor's work; sole ownership of all documents (other than those related to financial aspects) produced under the contract; and complete control over the schedule for completion of the third-party contractor's work. Rover Pipeline, LLC, Energy Transfer Partners, L.P., and their corporate parents, related companies, divisions, and subdivisions, as well as all contractors and agents acting on behalf of Rover, are hereby directed to preserve and maintain, and shall not discard or destroy, any and all documents or information dated January 1, 2017, or later regarding the HDD of the Tuscarawas River (approximate milepost 42 of Mainlines A and B, Stark County, Ohio), including, but not limited to, those related to the deposit of bentonite-based drilling fluid into wetland resources at the Tuscarawas River. Such "documents and information" include, but are not limited to, notes, memoranda, reports, logs, photographs, manuals, emails, instant messages, voicemails, spreadsheets, databases, text messages, screen shots or other documents generated by computer surveillance software, found in the records or personal communications accounts or electronic devices owned or used by Rover and Energy Transfer Partners' employees, contractors and agents.

Commission staff will review the contractor's plan to determine to what extent Rover should implement additional measures to ensure that further inadvertent releases of this magnitude will not occur in the future. Because the focus of this inquiry is on Rover's HDD activities, other construction activities may continue at this time. However, given our concerns regarding the environmental issues resulting from the significant release at the Tuscarawas River HDD, and our concerns regarding Rover's environmental compliance oversight, we are requiring Rover to double the number of environmental inspectors per spread to ensure compliance along the entire construction right-of-way.

Based on the outcome of the independent analysis, this matter may also be referred to the Commission's Office of Enforcement for further investigation.

If you have any questions, please contact Rich McGuire, Director, Division of Gas-Environment & Engineering, at (202) 502-6177.

Sincerely,

Terry L. Turpin
Director
Office of Energy Projects

Enclosure: Rover Pipeline Project horizontal directional drill status

cc: Public File, Docket No. CP15-93-000

Pipeline Segment	Horizontal Directional Drill Name/Location	Authorization to Continue Drilling Activities (Yes/No)
Sherwood Lateral	Highway 50	No
	Middle Island Creek (milepost 13.0)	No
	Middle Island Creek (milepost 23.7)	No
	Ohio River	Yes
Clarrington Lateral	Captina Creek	No
	Interstate 70	Yes
Majorsville Lateral	Ohio River	No
Supply Connector Line A*	Highway 151	Yes
Burgettstown Lateral	Ohio River	Yes
Mainline A*	Indian Fork	Yes
	Sandy Creek	Yes
	Interstate 77	Yes
	Tuscarawas River	Yes
	Tributaries (2) - North Fork Sugar Creek	Yes
	Prairie Lane	Yes
	Norfolk Southern Railroad	Yes
	State Highway 3 (Columbus Road)	Yes
	U.S. Highway 30 (West Lincoln Way)	Yes
	Interstate 71	Yes
	U.S. Highway 42 / Railroad	Yes
	Black Fork Mohican River	Yes
	County Route 12 / Honey Creek	Yes
	Honey Creek	Yes
	Sandusky River	Yes
	Interstate 75	Yes
State Route 109 / S. Fork Turkeyfoot Creek	Yes	
Maumee River	Yes	
Market Segment	State Route 52 (Austin Road)	No
	Interstate 94	No
	Portage River	No
* No activity associated with horizontal direction drills may occur along either Supply Connector B or		

Mainline B without receipt of a further staff order.

Document Content(s)

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