



**Algonquin Incremental Market Project  
FERC Third-Party Compliance Monitoring Program**

**Daily Compliance Monitoring Reports**

The following report is a compilation of the Daily Compliance Monitoring Reports from August 28, 2016 through August 30, 2016 issued by the Compliance Monitor and Compliance Manager during construction of the Algonquin Incremental Market Project related to the inadvertent return from the Hudson River horizontal directional drill and pull-back operations.

## Site Inspection EV-2761

<b>Report Date:</b>	8/28/16	<b>Compliance Level:</b>	Communication
<b>Author:</b>	Vince Bellantone	<b>Activity Group:</b>	Construction
<b>Route:</b>	Route 1	<b>Activity Type(s):</b>	Access
<b>Spread(s):</b>	Stony Point Discharge		Erosion and Sediment Controls
<b>State(s):</b>	NY		Matting
<b>County(ies):</b>	Rockland, Westchester		Other
<b>Milepost Start:</b>	2.97		Trenching
<b>Milepost End:</b>	3.92		Waterbody Crossing
<b>Station Start:</b>	156+75		Wetland Crossing
<b>Station End:</b>	207+00		
<b>Waterbody(ies):</b>	A14-SPLR-S100		
<b>Wetland(s):</b>	A14-SPLR-W100, A14-SPLR-W101, B13-SPLR-W208		
<b>General Notes:</b>			

The FERC Compliance Monitor (CM) conducted inspections of the Hudson River horizontal directional drill (HDD) east and west sites in Westchester and Rockland counties, NY.

The CM mobilized to the Hudson River HDD east side at approximately 8:30 am at the confluence of the ROW and the HDD pipe laydown area. There he observed that the pipe was no longer suspended by the side booms and had been placed on the ground. Side-booms and excavators were shut down and the site was inactive. The security officer posted on site informed him that the drill stem had become disconnected from the HDD pipe overnight. He then mobilized to the west side of the Hudson River HDD, arriving at approximately 9:30 am.

A long-stick excavator was in the process of expanding the trench over the centerline on the slope below the timber mat platform in an upland area. The ground disturbance was north of the upland interface with wetland boundary for A14-SPLR-W100, and within the approved upland workspace. At the site, the CM spoke with the Southeast Directional Drilling Superintendent (SEDD) to ask for a synopsis of the problem and if tree clearing would be necessary to resolve this problem. The SEDD indicated clearing would be required; however, the CM told him that at this time, no clearing, ground disturbance or tracked equipment was permitted inside wetland A14-SPLR-W100. The CM's suggestion was to mark trees that needed to be cut with colored flagging tape to document the information in support of a variance request. If approved, a survey team would delineate the workspace limits spelled out in the variance. The HDD Superintendent (Tom) directed his crew to purchase some colored flagging tape.

At 9:47 am, the CM contacted Dave Potter (ERM, 3rd party FERC Compliance Manager), informed him of the HDD issue within wetland A14-SPLR-W100 via telephone.

The CM met briefly with the Spectra Senior Construction Director on site.

Also present at the site was the Henkels & McCoy (H&M) Superintendent. The CM had told several people on site that there was an outstanding variance request that had not yet been approved. Therefore, tracked equipment, ground disturbance and clearing were not allowed at this time. The CM confirmed with the H&M Superintendent that storage of the upland spoil at the south end of the platform was approved as it was within the workspace. The H&M Superintendent also asked about storage of wetland materials after the variance was approved, and the CM confirmed that topsoil and subsoil segregation of wetland materials would be necessary.

The CM spoke with the Spectra HDD Coordinator about the situation and re-iterated the discussion about the variance request and that no ground disturbance, clearing or tracked equipment was permitted in A14-SPLR-W100 at this time.

The CM again spoke with the FERC 3<sup>rd</sup> Party Compliance Manager by telephone to inform him of the status of progress on the HDD installation and problems that were encountered by the contractors. The CM reported that activities within wetland A14-SPLR-W100 were limited to operation of drilling mud relay pumps and, silt fence and straw bale containment maintenance. Gas-powered portable equipment was operated inside acceptable secondary containment.

At 11:20 am, utility inspectors were on site to monitor on-going construction activities. No environmental compliance concerns were noted at the time.



**Title:** 08-28-16  
MP 3.93 inactive pull-back at Hudson River HDD east side.



**Title:** 08-28-16  
MP 2.99 excavation over HDD centerline to wetland A14-SPLR- W100 boundary at Hudson River HDD west.



**Title:** 08-28-16  
MP 4.02 inactive pull-back at Hudson River HDD east side.



**Title:** 08-28-16  
MP 3.00 deformation in drill stem at rig - Hudson River HDD west during installation.



**Title:** 08-28-16  
MP 3.00 upland trench spoil from HDD centerline stored at Hudson River HDD west.



**Title:** 08-28-16  
MP 3.00 upland trench spoil loaded onto dump truck at Hudson River HDD west.



**Title:** 08-28-16  
MP 3.00 pond north of A14-SPLR-W100  
at Hudson River HDD west.



**Title:** 08-28-16  
MP 3.00 upland coffer for spoil storage  
constructed at Hudson River HDD west.



**Title:** 08-28-16  
MP 2.99 excavation over HDD centerline to  
wetland A14-SPLR- W100 boundary at  
Hudson River HDD west.



**Title:** 08-28-16  
MP 3.01 submersible mud relay pumps in  
IR in wetland A14- SPLR-W100 at  
Hudson River HDD west.



**Title:** 08-28-16  
MP 3.01 submersible mud relay pumps in  
IR in wetland A14- SPLR-W100 at  
Hudson River HDD west.

## Site Inspection EV-2762

<b>Report Date:</b>	8/29/16	<b>Compliance Level:</b>	Pending
<b>Author:</b>	Vince Bellantone	<b>Activity Group:</b>	Construction
<b>Field Staff:</b>	Glen Chandler (EI, Hanover Discharge & Rockland County)	<b>Activity Type(s):</b>	Erosion and Sediment Controls
<b>Route:</b>	Route 1		Inadvertent Return Response
<b>Spread(s):</b>	Stony Point Discharge		Grading
<b>State(s):</b>	NY		HDDs
<b>County(ies):</b>	Rockland, Westchester		Matting
<b>Milepost Start:</b>	2.97		Other
<b>Milepost End:</b>	3.92		Topsoil Salvage/Segregation
<b>Station Start:</b>	156+75		Trenching
<b>Station End:</b>	207+00		Waterbody Crossing
			Wetland Crossing
<b>Access Road(s):</b>	A14-SPLR-W100, A14-SPLR-W101, B13-SPLR-W208		
<b>Waterbody(ies):</b>	A14-SPLR-S100		
<b>General Notes:</b>			

This morning the CM communicated with the 3rd party FERC Compliance Manager (Compliance Manager) regarding the status of a variance request that was expected on Sunday regarding a request to permit excavation in wetland A14-SPLR-W100, following the inadvertent returns at this site and the retrieval of the broken drill stem that was thought to be under the wetland area. The Compliance Manager indicated that the wetland was not included in the list of palustrine forested (PFO) wetland mitigations in the Final Environmental Impact Statement. Based on his analysis and feedback from the FERC Environmental Compliance Manager and FERC Project Manager, a level three variance was required to approve ground disturbance and tree clearing in the wetland. Algonquin would need to list the impacts and submit a wetland restoration plan in the variance request. No variance request had been received.

The CM contacted the Hanover Discharge & Rockland County, NY Environmental Inspector (EI) and asked if the excavation had taken place in wetland A14-SPLR-W100. The EI replied that the contractor had cleared trees and excavated the HDD drill path east of the toe of the slope and appeared to extend ground disturbance into the wetland boundary.

The CM notified the Compliance Manager and mobilized to the site where he inspected both the east and west sides of the Hudson River HDD. At the west site, two excavators were working to stabilize the upland slope below the timber mats. In the wetland, the CM observed that topsoil had been segregated and stored in a stabilized pile. Subsoil was stored on the wetland subsoil surface. Environmental crews were observed installing new silt fence in the wetland.

An H&M grading and restoration crew was on site to stabilize the upland slope and relay upland trench spoil to a constructed coffer at the south end of the workspace. Spoil was stored on timber mats.

The HDD utility inspector reported to the CM that the location of the broken drill stem was further west than previously thought, and did not appear to be in the portion of the wetland that had been excavated. An H&M equipment crew had mobilized at the east side of the Hudson River to extract the HDD pipe.

The CM then reported observations to the Compliance Manager and sent him e-mail site photographs. The Compliance Manager, assistant Compliance Manager, FERC Project Manager, and FERC Environmental Compliance Manager confirmed that this was in violation of the FERC Certificate. Additionally, they indicated that another conference call with AIM project senior management was necessary for their evaluation of environmental compliance at this site. Discussions with the FERC staff regarding the compliance level for the excavation within wetland A14-SPLR-W100 are ongoing.

#### Photos for Site Inspection EV-2762



**Title:** 08-29-16  
MP 3.01 unapproved ground disturbance in wetland A14-SPLR- W100 at Hudson River HDD west.



**Title:** 08-29-16  
MP 4.08 pipe segments suspended drill stem at Hudson River HDD east side.



**Title:** 08-29-16  
MP 3.01 unapproved ground disturbance in wetland A14-SPLR- W100 at Hudson River HDD west.



**Title:** 08-29-16  
MP 3.93 suspended pipe at Hudson River HDD east side installation.



**Title:** 08-29-16  
MP 3.00 deformation in drill stem at rig - Hudson River HDD west during installation.



**Title:** 08-29-16  
MP 3.91 insertion point for Hudson River HDD east installation.



**Title:** 08-29-16  
MP 3.01 unapproved ground disturbance in wetland A14-SPLR- W100 at Hudson River HDD west.



**Title:** 08-29-16  
MP 3.91 mud recycling rig in secondary containment at Hudson River HDD east.



**Title:** 08-29-16  
MP 3.01 unapproved ground disturbance in  
wetland A14-SPLR- W100 at Hudson River  
HDD west.

## Communication EV-2772

<b>Report Date:</b>	8/30/16	<b>Compliance Level:</b>	Communication
<b>Author:</b>	Vince Bellantone	<b>Activity Group:</b>	Construction
		<b>Activity Type(s):</b>	Project Meeting
<b>Field Staff:</b>	Dave Potter (ERM, 3rd party Compliance Manager), Stephanie Pesek (ERM, 3rd party Assistant Compliance Manager), Michael Tyrrell (TRC Principal, Sr. Environmental Manager), Magdalene Suter (FERC Project Manager), Danny Laffoon (FERC Chief Construction Compliance), Terry Doyle (Spectra)		
<b>Route:</b>	Route 1		
<b>Spread(s):</b>	Stony Point Discharge		
<b>State(s):</b>	NY		
<b>County(ies):</b>	Rockland, Westchester		
<b>Milepost Start:</b>	3.92		
<b>Milepost End:</b>	4.22		
<b>Station Start:</b>	206+75		
<b>Station End:</b>	223+00		
<b>Wetland(s):</b>	A14-SPLR-W100, A14-SPLR-W101, B13-SPLR-W208		

### General Notes:

This morning the CM Compliance Manager, Assistant Compliance Manager, FERC Project Manager, FERC Environmental Compliance Manager, TRC Principal Senior Environmental Manager and Spectra Construction Compliance Manager participated in a conference call to discuss contractor activities on the Stony Point Discharge in Rockland County, NY between Sunday August 28, 2016 and Monday August 29, 2016.

Matters discussed in the conference call included a time-line of events starting from the time that the Hudson River HDD installation had stopped because the drill stem had become disengaged from the pipe segment and ending with the excavation of wetland A14-SPLR-W100, as well as what was planned now that the pipeline was stuck.