ROVER PIPELINE
An ENERGY TRANSFER Company

August 4, 2017

Mr. Terry Turpin
Federal Energy Regulatory Commission
Office of Energy Projects
888 First Street, N.E.
Washington, D.C. 20426

Re: OEP/DG2E/Gas Branch 4
Rover Pipeline LLC (Rover Pipeline Project)
FERC Docket No. CP15-93-000
Response to J.D. Hair Report and FERC Letter Orders

On May 10, 2017, the Federal Energy Regulatory Commission's ("FERC" or "Commission") Office of Energy Projects ("OEP") staff issued a letter to Rover Pipeline LLC ("Rover") regarding the inadvertent release ("IR") of non-toxic bentonite clay and water slurry ("slurry") that occurred in connection with the Tuscarawas River horizontal directional drill ("HDD"). The May 10, 2017 letter precluded Rover from beginning additional HDDs along the Rover Pipeline Project ("Project").

On July 12, 2017, OEP staff issued a second letter regarding the IR. The July 12, 2017 letter referred to the potential presence of petroleum hydrocarbons in the slurry at the Tuscarawas River HDD IR, and requested that Rover develop a set of protocols to prevent future slurry contamination as a prerequisite to in-service authorization and permission to proceed with the remaining HDDs along the Project route. On July 31, 2017, OEP staff reiterated that request in a letter regarding the completion of the third-party contractor independent report ("Report") completed by J.D. Hair & Associates ("JDHA") regarding the inadvertent release ("IR") of non-toxic bentonite clay and water slurry ("slurry") that occurred in connection with the Tuscarawas River HDD.

J.D. Hair Third-Party Analysis

The July 31, 2017 letter referenced measures addressed in the Report for Rover to implement before the suspended HDD activities may resume along the Rover Pipeline Project ("Project"). These measures are as follows:

> JDHA recommends the following to minimize the risk of environmental impact due to an IR occurring during the drilling of the second planned (Line B) crossing of the Tuscarawas River, and future project HDDs:
>
> 1. For the Tuscarawas Crossing:
>   - Design the HDD path at a greater depth so that it remains within sedimentary bedrock over the duration of the crossing; and

- Maximize the horizontal offset between the two alignments to the extent practical to minimize the risk of drilling fluid flow into previously established flow paths;

2. For the Tuscarawas and all remaining HDDs:
   - Use an annular pressure tool during HDD operations so that the actual annular pressure can be monitored and steps can be taken to reduce annular pressure as necessary;
   - Retain the services of a drilling fluid engineer or specialist that can assist PDD in developing a drilling fluid program to help minimize circulation loss, combat reactive clays and shale to minimize annular pressure;
   - PDD and Rover need to provide documentation at the level specified in Energy Transfer's Pipeline Construction Specification and the Horizontal Directional Drilling Contingency Plan; and
   - Use third party inspectors for independent monitoring and documenting HDD operations, as well as full-time inspectors to check for inadvertent releases of drilling fluid.

Rover commits to the measures listed under Item 1 and will design the HDD path at a greater depth so that it remains within sedimentary bedrock over the duration of the crossing and maximize the horizontal offset between the two alignments to the extent practical to minimize the risk of drilling fluid flow into previously established flow paths. An analysis by the third-party firm GeoEngineers, Inc. will be submitted for review by OEP.

Rover commits to the measures listed under Item 2 for all remaining HDDs along the Project, as incorporated into the *Supplement to the Horizontal Directional Drill Contingency Plan – Ohio* ("Supplemental HDD Plan") attached herein.

Under Sections 3.0 and 4.0 of the Supplemental HDD Plan, Rover states that it will utilize an annular pressure tool during the pilot phase and continuously monitor annular flow and injection pressures during all phases of an HDD; will provide documentation per Energy Transfer Company's Pipeline Construction Specification and the Supplemental HDD Plan; will retain the services of a drilling fluid engineer to assist in development of a drilling fluid program; and will employ a third-party firm to monitor drilling operations, as well as an HDD Inspector at each site to oversee the drilling site operations.

In Section 6.0, Rover reiterates that it will retain the services of a drilling fluid engineer or specialist that can assist in developing a drilling fluid program to help minimize circulation loss, and combat reactive clays and shale to minimize annular pressure.

Revisions to the Supplemental HDD Plan and Appendix A that have occurred since the previously submitted version are denoted by redlined text. The Supplemental HDD Plan and Appendix A were also revised to reflect modifications requested by the Ohio Environmental Protection Agency (Ohio EPA). While the Supplemental HDD Plan specifically addresses the HDDs in Ohio in Appendix A, the Supplemental HDD Plan will be utilized for the remaining HDDs along the Project route.

Additional Protocols

The request for additional protocols as noted in the July 12 and 21, 2017 letters arises from concerns that petroleum hydrocarbons present at the IR could have been introduced as part of the HDD process. Based on the evidence Rover has reviewed to date, however, Rover does not believe that to have been the case. To be clear, Rover has never requested nor approved of the addition of diesel fuel (or any other petroleum hydrocarbons) to the bentonite slurry used for its HDDs. Rover takes these allegations extremely seriously. If Rover were to discover that a contractor or one of its employees intentionally added such materials to the slurry in violation of Rover's approved protocols and HDD plans, Rover would take all appropriate action available under the law. However, as discussed below, the testing results and evidence to date do not support the allegations. Simply put, the data is at best inconclusive—it could reflect an intentional introduction of diesel, an unreported spill, or sabotage. Given the gravity of the allegations, Rover has taken steps to address all of these potential scenarios.

In an effort to understand where such petroleum hydrocarbons may have originated, Rover has reviewed the sampling data issued by the Ohio Environmental Protection Agency ("Ohio EPA") and has conducted extensive additional sampling. Following the IR, a grid system was derived on site to facilitate the initial assessment and documentation of the restoration activities. This grid system was also utilized during the Rover sampling efforts. Please refer to the enclosed *Summary Report for Tuscarawas Inadvertent Return (IR) Samples – July 2017* detailing the testing Rover conducted at the Tuscarawas River HDD IR site, as well as the cover letter provided to the Ohio EPA, which further details the analysis of the data and subsequent conclusions.

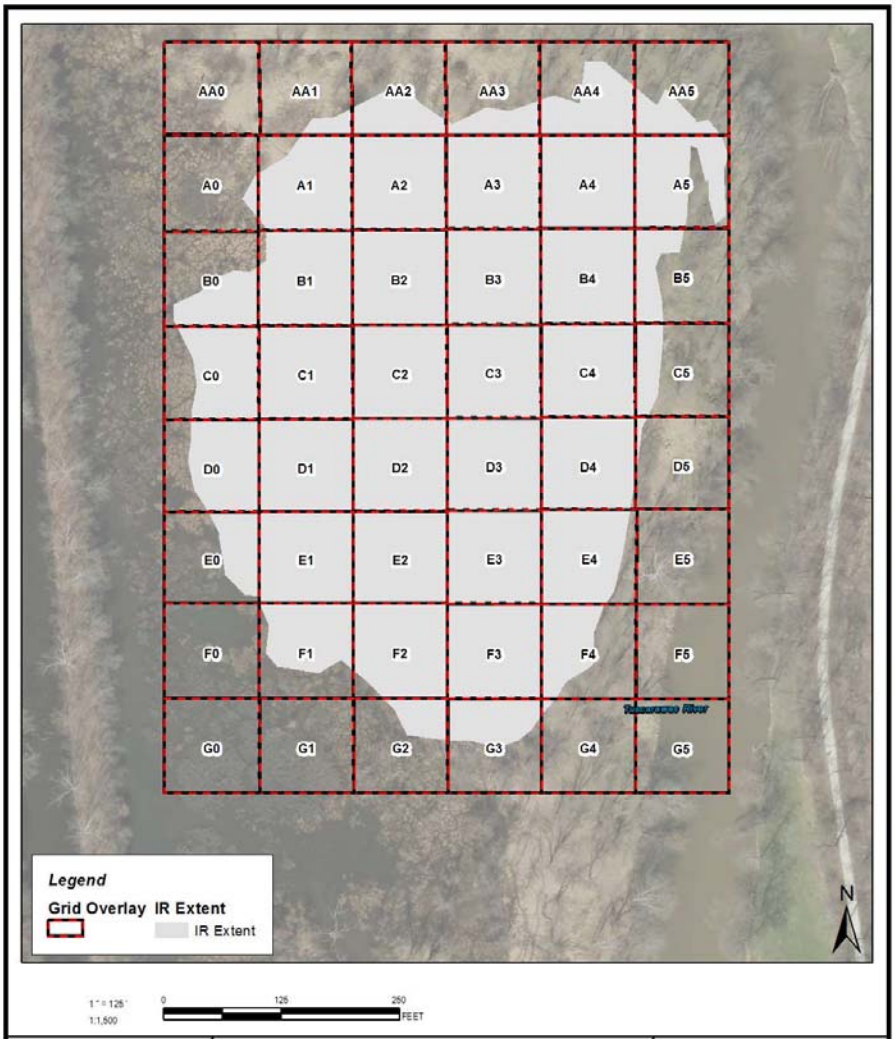

Figure 1 – Grid Overlay

To be clear, Rover's testing did confirm the presence of small amounts of diesel in and around Grid A3 and Grid C1/D1 (see Figure 1). This data alone, however, does not demonstrate that diesel fluid (or other petroleum hydrocarbons) entered the slurry as part of the HDD process, or that there was a widespread impact. Rather, this testing data is equally consistent with a limited, low-volume release in and around samples collected within the center of Grid A3. Rover theorizes that these diesel concentrations could have been caused by an inadvertent and unreported spill or leak from equipment operating during the clean-up of the IR, or it could have been the deliberate or malicious act of individuals opposed to the project. Given the extensive inspection and oversite at this and other sites along the project, it is difficult to imagine that this occurred from an unreported spill or

leak. Nonetheless, Rover is deeply troubled by any of these potential scenarios and has taken steps to address these possible sources.

First, with respect to the possibility of an unreported spill during cleanup, Rover will reiterate to all employees and contractors that all construction must adhere to the requirements of its FERC certificate, the *Spill Prevention and Response Procedures* and the *Project Specific Wetland and Waterbody Construction and Mitigation Measures*, both of which were approved by FERC prior to the commencement of construction. These construction plans require secondary containment for equipment working within or near wetlands and waterbodies, and require the prompt notification following a spill of hazardous materials. While Rover has no evidence that the diesel was the result of a spill or failed containment, it will remind its employees and contractors of these requirements to reassert their importance.

Second, with respect to the possibility that someone introduced diesel into the mud at the IR site for malicious purposes, Rover has hired security to oversee the Tuscarawas HDD site and has increased scrutiny of all personnel entering and leaving all HDD sites.

Third, Rover has committed to having a third-party engineer on-site at each of the proposed drills to oversee the drilling operations. In addition, Rover will employ an HDD Inspector to be present on all HDD sites to oversee management of the site during each shift at locations where drilling will operate 24 hours a day. This personnel, as well as Environmental Inspectors along each construction spread, will be present and accountable to report any occurrences observed that may be inconsistent with the construction plans and commitments made to the relevant agencies.

Finally, in the event there is some other possible source Rover has not yet considered, Rover has also submitted a *Horizontal Direction Drill (HDD) Sampling Plan* to OEP staff and the Ohio EPA for the testing of slurry in all HDDs in Ohio for petroleum hydrocarbons. If such testing returns positive results, Rover will conduct testing to determine, if possible, the source of those hydrocarbons.

Rover respectfully requests that this letter and associated attachments be accepted as a complete response to the recommendations presented in the July 31, 2017 from OEP and in the associated JDHA report and the request for proposed protocols to avoid contamination of drilling fluid for the remaining HDDs along the Project route and respectfully requests that FERC continue to consider its request to commence with the remaining HDDs. Any questions or comments regarding this filing should be directed to the undersigned at (713) 989-2812.

Respectfully submitted,

/s/ Chris Sonneborn

Mr. Chris Sonneborn, Senior VP - Engineering

Attachments

cc: Mr. Rich McGuire - FERC Office of Energy Projects,
Mr. Kevin Bowman - FERC Office of Energy Projects
Mr. Craig Butler – Ohio Environmental Protection Agency