

FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, D.C. 20426

OFFICE OF ENERGY PROJECTS

In Reply Refer To:  
OEP/DG2E/Gas 2  
Algonquin Gas Transmission, LLC  
Algonquin Incremental Market Project  
Docket No. CP14-96-000

September 9, 2016

Chris Harvey  
Algonquin Gas Transmission, LLC  
5400 Westheimer Ct.  
Houston, TX 77056

**Re: Hudson River Serious Violation**

Dear Mr. Harvey:

Based on consultation with our Third-party Compliance Monitor, as documented in the daily monitoring reports from August 28, 2016 through August 30, 2016, Commission staff has determined that Algonquin Gas Transmission, LLC (Algonquin) has failed to comply with the Commission's Order issuing Certificate for the Algonquin Incremental Market Project, in the above-referenced docket. More specifically, Algonquin has demonstrated a lack of consultation in response to a break of the drill stem and the subsequent excavation of a wetland beyond the project approved workspace at its Hudson River horizontal directional drill (HDD).

On August 28, 2016, Algonquin experienced a break in the drill stem while attempting the pullback of a 5,000-foot-long HDD. The Commission's on-site Compliance Monitor was informed that Algonquin believed the break was within a wetland adjacent to the drill entry side and Algonquin would likely excavate the wetland (including removal of trees) to access the drill stem. Our Compliance Monitor directed Algonquin that additional information was required prior to approval of this anticipated variance regarding the disturbance of a forested wetland located outside of the authorized construction workspace. However, Algonquin went forward with the excavation of the wetland, after the Compliance Monitor had left the site, without requesting Commission approval or attempting to receive any other agency approvals until after the excavation was complete. We further understand that the unauthorized excavation in fact did not access the drill stem (that is, it was in the wrong place). Based on this information, we have determined that this is a **Serious Violation** of the Commission's Order under environmental conditions 1, 4, and 5.

Within seven days of the date of this letter, please file:

- a) an explanation of why Algonquin proceeded with disturbing a wetland without advance notification or approval of any agency;
- b) any measures Algonquin will put in place to ensure that further non-compliance will not occur;
- c) the calculations Algonquin made to assume the drill stem was within the wetland;
- d) copies of all relevant permits and authorizations for impacting this wetland; and
- e) a detailed plan for restoring the wetland.

To date, we have not found it necessary to issue a “stop work” order for the construction; however, we cannot continue to see this type of noncompliance. Based on your response to this letter, we may refer this matter to the Commission’s Office of Enforcement for further investigation.

If you have any questions, please contact Magdalene Suter, environmental project manager, at (202) 502-6463 or Alisa Lykens, Gas Branch 2 Chief, at (202) 502-8766.

Sincerely,

Ann F. Miles  
Director  
Office of Energy Projects

Enclosure: Third-party Compliance Monitor’s daily monitoring reports

cc: Public File, Docket No. CP14-96-000 (w/o enclosure)

Document Content(s)

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