Date: May 3, 2018

Project: Millennium Pipeline Company, L.L.C.
Valley Lateral Project
Orange County, New York
Docket No.: CP16-17-000
Authority: Section 7(c)

Personnel:
FERC Project Manager: Anthony Rana
FERC Contractor: Tetra Tech, Inc.
FERC Contractor Staff: Sarah Haugh
Company Staff: Randy Parker (Environmental Manager)

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<th>Inspection Summary</th>
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Problem Areas
Noncompliances
Follow-Up Letter Required
Refer to Enforcement

Introduction

On May 3, 2018, the Federal Energy Regulatory Commission (FERC or Commission) Project Manager, Anthony Rana, and Sarah Haugh of Tetra Tech performed a construction and restoration inspection of the Millennium Pipeline Company, L.L.C. (Millennium) Valley Lateral Project (Valley Lateral or Project), under contract to the Commission and per the request of the FERC Project Manager.

The Project consists of the construction and operation of approximately 7.8 miles of new 16-inch-diameter pipeline; a new pig launcher\(^1\) facility; and a new delivery meter station, pig receiver, and associated station piping at a proposed natural gas, combined-cycle, electric power generating facility (Valley Energy Center) in Orange County, New York.

The Project will provide 127,200 dekatherms (Dth) per day of incremental firm natural gas transportation service from an interconnect on Millennium’s existing mainline in Orange County, New York, to the proposed new meter station at the Valley Energy Center.

The anticipated in-service timing for the Project is July 2018.

The purpose of the inspection was to determine Millennium’s compliance with the environmental conditions of the Commission’s November 9, 2016 *Order Denying Motion to Dismiss and Issuing*

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\(^1\) A “pig” is a tool that moves through the pipeline and is used for cleaning, internal inspections, or other purposes. A launcher/receiver is an aboveground structure used to install/retrieve pigs from the pipeline.
Certificate for the Project and to inspect the construction conditions of the pipeline right-of-way (ROW) and facilities.

The findings of the inspection were that no instances of noncompliance or problem areas were identified. A site map and photographic record are presented in this report.

Inspection

On May 3, 2018, weather conditions were mostly sunny with some cloud cover. Temperatures ranged from the high-50s (degrees Fahrenheit [°F]) to the low-90s (°F) in nearby Montgomery, New York. A total of approximately 1.1 inches of precipitation was recorded during the two weeks preceding the inspection. Soil conditions ranged from fairly dry to saturated, depending on location.

The inspection focused on the construction and environmental conditions along active sections of the Valley Lateral pipeline ROW (Photo Numbers [Nos.] 1 to 10), and a short Interconnecting Pipeline between the Valley Lateral pipeline and the new delivery metering & regulation (M&R) station at the Valley Energy Center (Photo Nos. 12 and 13).

Valley Lateral

Overall, construction was progressing acceptably and environmental conditions were satisfactory. A few punch-list items were identified during the inspection. Near the beginning of the ROW, where the pipeline was installed and restoration was complete across most of the area (an active, temporary travel lane was still maintained), resource crossing and “no refueling” signs were missing at two wetland crossings (Photo Nos. 1 and 2). Millennium stated that the signs had been removed prematurely, during restoration of part of the ROW but before the full ROW – including the travel lane – was fully restored. Millennium immediately began to replace the signs, and expected to finish replacing the signs by the following day. Erosion control devices (ECDs) were maintained at the crossing and no impacts to the resources were observed. During the inspection of the Horizontal Directional Drill (HDD) -5 entry site, a spill was observed when one of the construction vehicles drove off the HDD entry site (Photo No. 4). A trail of drips of what was presumed to be fuel was left on the equipment mats. Inspection participants notified the onsite construction crew, who immediately began clean-up of the spill. In addition, Millennium stated it will repair the vehicle to prevent further spills. Lastly, inspection participants discussed expanding the secondary containment structure around a bulk fuel storage tank at the HDD-3 entry site (Photo No. 11). Millennium stated that the bulk fuel storage tank was a double-walled tank, but agreed to extend the secondary containment structure around the fuel tank.

Four of the five HDD sites were active, including the HDD-4 crossing where inspection participants observed the process of the product pipe being pulled back through the drilled hole (Photo No. 8). ECDs were in place along the perimeter of all of the HDD sites, and secondary containment was in use, as appropriate (Photo Nos. 3 and 7). No environmental concerns were noted.

Numerous equipment bridges were installed at waterbody and wetland crossings throughout the Project area (Photo Nos. 5 and 6). The equipment bridges appeared to be swept regularly, and ECDs were tied-in and properly maintained.

Restoration was ongoing or complete along some portions of the ROW. Restoration was complete at the HDD-2 entry site (Photo No. 9). Orange exclusion fencing was installed across the ROW to block access to the eagle nest area. A crew was grading and restoring the ROW west of the Seward Road crossing, following the installation of the pipeline (Photo No. 10). Slope breakers were being installed, and ECDs remained in place at all restored locations. No environmental concerns were identified.
Interconnecting Pipeline

The short Interconnecting Pipeline between the Valley Lateral and the Valley Energy Center M&R station was installed. The Wetland W-AH crossing, located between the HDD-3 entry site and the Valley Energy Center delivery M&R station, was partially restored (Photo No. 12). ECDs were maintained and no environmental issues were observed. At the M&R Station, concrete footings were installed and a crew was excavating a trench (Photo No.13). Construction activity was within the approved workspace limits, and no environmental concerns were observed.

Conclusions and Recommendations

A follow-up letter is not required at this time, because no instances of noncompliance were identified. Environmental conditions were acceptable, and construction was proceeding satisfactorily. Another construction inspection is scheduled for the week of May 28, 2018.
Photo No.: 1
MP/Sta. No.: 0+00
Direction: Northeast
Assessment: Acceptable
Comments: Open ROW. The pipeline was installed at the terminus of the ROW, but the launcher remained to be installed. Restoration was complete along most of the ROW from the terminus to the Fordlea Road crossing. ECDs were maintained; however, wetland crossing and “no refueling” signs had been removed from two wetland crossings (see Photo No. 2).

Photo No.: 2
MP/Sta. No.: 7+25
Direction: Northwest
Assessment: Acceptable
Comments: Agricultural ROW, Waterbody ST-A, Wetland W-A. Restoration was performed south of the Fordlea Road crossing across most of the ROW (an active, temporary travel lane was still maintained). Resource crossing and “no refueling” signs were missing. Millennium stated that the signs had been removed prematurely, during restoration of part of the ROW but before the full ROW – including the travel lane – was fully restored. Millennium immediately began to replace the signs, and expected to finish replacing the signs by the following day. ECDs were maintained at the crossing and no impacts to the resources were observed.
Company: Millennium Pipeline Company, L.L.C.
Project: Valley Lateral

Photo No.: 3
MP/Sta. No.: 95+00
Direction: East
Assessment: Acceptable
Comments: Open ROW, HDD-1 Entry Site. Secondary containment was in use as appropriate. ECDs were maintained within and along the perimeter of the HDD site.

Photo No.: 4
MP/Sta. No.: 124+75
Direction: West
Assessment: Acceptable
Comments: Open ROW, HDD-5 Entry Site. ECDs were installed and maintained at the HDD site. During the inspection, a spill from one of the construction vehicles was observed when it drove off the HDD entry site. A trail of drips, which was presumed to be fuel, was left on the equipment mats. Inspection participants notified the onsite construction crew, who immediately began clean-up of the spill. In addition, Millennium stated it will repair the vehicle to prevent further spills.
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Spread: Valley Lateral  

Photo No.: 5  
MP/Sta. No.: 192+00  
Direction: Northeast  
Assessment: Acceptable  
Comments: Agricultural ROW, Waterbody ST-R, Wetland W-AT. Equipment mats spanned the ROW from the HDD-5 exit site to the HDD-4 entry site. An equipment bridge was installed at the waterbody and wetland crossing. ECDs were maintained and no sediment was observed within the resources. No environmental concerns were noted.

Photo No.: 6  
MP/Sta. No.: 205+00  
Direction: Southwest  
Assessment: Acceptable  
Comments: Open ROW, Waterbody ST-S (Catlin Creek). ECDs were maintained along the waterbody crossing, and no turbidity was observed in the creek. The heavy equipment bridge was swept and well maintained. No environmental concerns were observed.
Company: Millennium Pipeline Company, L.L.C.

Project: Valley Lateral

Docket No.: CP16-17-000

Spread: Valley Lateral

Photo No.: 7
MP/Sta. No.: ~212+50
Direction: Southeast
Assessment: Acceptable

Comments: Agricultural ROW, HDD-4 Entry Site. Drilling activities were ongoing at the HDD-4 crossing. ECDs were in place and maintained along the perimeter and within the HDD entry site. Drilling equipment was housed within secondary containment, as appropriate, and spill kits were available onsite. No environmental concerns were observed.

Photo No.: 8
MP/Sta. No.: ~212+50
Direction: Northwest
Assessment: Acceptable

Comments: Agricultural ROW, HDD-4 Entry Site. Drilling activities were ongoing at the HDD-4 crossing. Inspection participants observed the process of the product pipe being pulled back through the drilled hole. No environmental concerns were observed.
Company: Millennium Pipeline Company, L.L.C

Project: Valley Lateral

Photo No.: 9
MP/Sta. No.: 297+00
Direction: Northeast
Assessment: Acceptable
Comments: Forested and Open ROW, HDD-2 Entry Site. The HDD-2 crossing and restoration of the area was complete. Orange exclusion fencing was installed across the ROW to block access to the eagle nest area, located beyond the fence. ECDs remained in place. Environmental conditions were acceptable.

Photo No.: 10
MP/Sta. No.: 341+00
Direction: Northwest
Assessment: Acceptable
Comments: Forested and Open ROW. A crew was grading and restoring the ROW following the installation of the pipeline. Slope breakers were being installed. Silt fence remained in place along the low-lying perimeter of the ROW. No environmental issues were observed.
Company: Millennium Pipeline Company, L.L.C.

Project: Valley Lateral

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Spread: Valley Lateral/Interconnecting Pipeline

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Photo No.: 11
MP/Sta. No.: 409+89
Direction: Southwest
Assessment: Acceptable
Comments: Industrial ROW, HDD-3 Entry Site. ECDs were installed along the perimeter of the HDD entry site and within the site. Inspection participants discussed expanding the secondary containment structure for a bulk fuel storage tank (arrow) that was located at the HDD entry site. Millennium stated that it would expand the secondary containment to include the storage tank.

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Photo No.: 12
MP/Sta. No.: 5+00
Direction: West
Assessment: Acceptable
Comments: Open ROW, Interconnecting Pipeline, Wetland W-AH. The Interconnecting Pipeline between the Valley Lateral and the Valley Energy Center M&R station was installed. The Wetland W-AH crossing, located within the Valley Energy Center, was partially restored.
Comments: Industrial ROW, Interconnecting Pipeline, M&R Station. Concrete footings were installed at the M&R station, and a crew was excavating a trench in front of the Valley Energy Center facility. Construction activity was within the approved workspace limits and no environmental concerns were observed.