



pennsylvania

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Southwest Regional Office

November 7, 2019

NOTICE OF VIOLATION

Via Certified Mail No. 7018 2290 0001 5349 1253 and First-Class Mail (Shell Pipeline Company, LP)
Via Certified Mail No. 7018 2290 0001 5349 2038 and First-Class Mail (Minnesota Limited, LLC)

Pamela Alley
Shell Pipeline Company, LP
WCK Building A
150 North Dairy Ashford Road
Houston, TX 77079

Chris Houx
Minnesota Limited, LLC
PO Box 410
Big Lake, MN 55309

RE: Violations of the Clean Streams Law
Violations of the Dam Safety and Encroachments Act
Falcon Ethane Pipeline System
DEP Permit Nos. E02-1773, E04-369, E63-710 and ESG0000717003
Allegheny, Beaver, and Washington Counties

Dear Ms. Alley and Mr. Houx:

On October 11, 2019, the Department of Environmental Protection ("Department") contacted Shell Pipeline Company, LP ("SPLC") and Minnesota Limited, LLC ("MLL") regarding the process monitoring instrumentation utilized on each Horizontal Directional Drill ("HDD") for the Falcon Ethane Pipeline System Project ("Falcon Pipeline"). While performing routine inspections of HDD sites, Department personnel became aware that SPLC and MLL were not utilizing the required monitoring instrumentation as outlined in the approved '*HDD Inadvertent Return, Assessment, Preparedness, Prevention, and Response Plan*' ("HDD IR PPR Plan"). The Department contacted SPLC and MLL on October 11, 2019 to verify that the required instrumentation was utilized on current HDD sites. By letter on October 23, 2019, SPLC and MLL confirmed the instruments do not record data in real time and that site personnel record the information "contemporaneously with drilling operations." SPLC and MLL stated that potential flaws in the system create concern as to the validity and accuracy of data recorded by instruments in real time and proposed to continue its operations utilizing their current monitoring equipment.

Department-issued permits E02-1773, E04-369, E63-710 and ESG0000717003 ("Permits") require SPLC and MLL to follow its HDD IR PPR Plan that is part of the approved plans in the Permits to reduce, minimize, or eliminate a pollution event. The current version of the HDD IR PPR Plan contains a revision date of September 24, 2019. Section 4.1.3 of the approved HDD IR PPR Plan outlines the specific instrumentation and monitoring requirements SPLC and its

contractors must utilize during HDD operations. Section 4.1.3 of the HDD IR PPR Plan requires drilling rigs to be equipped with instruments which can measure and record in real time, the following information: borehole annular pressure during pilot hole operation, drilling fluid discharge rate, the spatial position of the drilling bit or reamer bit, and the drill string axial and torsional loads. Failure to comply with the approved HDD plan is a violation of Sections 402 and 611 of the Clean Streams Law, 35 P.S. §§ 691.402 and 691.611, Section 18 of the Dam Safety and Encroachments Act, 32 P.S. § 693.18, and Sections 102.4, 102.5 and 105.51 of the Regulations, 25 Pa. Code §§ 102.4, 102.5, and 105.51.

Based on the above violations, the following are recommendations for compliance at the Falcon Pipeline:

1. Immediately cease all Pennsylvania HDD operations until the Department provides written approval to resume HDD operations.
2. Implement recording instrumentation that can record in real time the required information found in Section 4.1.3 of the approved HDD IR PPR Plan.

In addition to the violations noted above, the Department would also like to bring the following items of concern to your immediate attention:

- A. **Weekly and Final Inadvertent Return (“IR”) Reports:** Sections 5.1 and 5.2 of the approved HDD IR PPR Plan require preparation and submission of weekly and final IR reports. The Department did not receive weekly IR reports for the IRs that occurred at HOU-01, SCIO-04, and HOU-11. The Department contacted SPLC on October 31st, 2019 regarding these reports, and the weekly reports were submitted the same day. Ensure weekly and final reports are submitted in accordance with the approved HDD IR PPR Plan.
- B. **Weekly IR Report Information:** Sections 5.1 and 5.1 of the approved HDD IR PPR Plan outline the minimum information required in the weekly IR reports. This information includes a description of containment and recovery methods and their effectiveness, amounts of recovered material, final disposition of recovered material (reused or disposed), disposal documentation, and photographic documentation, at a minimum. The current weekly report forms have not included the final disposition of recovered material (reused or disposed) or the disposal documentation. The Department understands from communication with SPLC that IR materials are reused, but requests that this information be captured on the weekly report forms as indicated in the approved HDD IR PPR Plan.

Please provide me a written response regarding your intentions on or before **November 21, 2019**. Be advised that your failure to implement the approved HDD IR PPR Plan may result in enforcement action.

This letter is only intended to inform you of the existence of a violation and of the ways in which you may move into compliance with the law. It shall not be construed to waive or impair any rights of the Department, including the right to take an action in the future. Finally, this letter shall not be construed to waive either expressly or by implication, the power or authority of the Commonwealth of Pennsylvania to prosecute for any and all violations of the law arising prior to or after the issuance of this letter, or for the conditions upon which this letter is based.

This letter should not be considered as a final appealable action of the Department of Environmental Protection.

I look forward to your cooperation in this matter. If you have any questions, please contact me at 412-442-4127 or aevan@pa.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Aileen Evan". The signature is fluid and cursive, with the first name "Aileen" written in a larger, more prominent script than the last name "Evan".

Aileen Evan
Environmental Group Manager
Conservation, Restoration, and Inspection Section
Waterways and Wetlands Program

Enclosure

cc: ACCD – via email
WCCD – via email
AECOM (Heather Brewster) – via email
Eric DeLong – via email
Mary Gerschefski – via email

