

Fahn, Patrick J.

From: David Schmunk <DSchmunk@mistralenergy.ca>
Sent: Thursday, September 19, 2013 10:30 AM
To: Fahn, Patrick J.
Cc: Terry Killackey; Keith Learmonth (Keith.Learmonth@sunstone.ab.ca)
Subject: Report on Underground equipment damage
Attachments: Vantage Report on Underground Equipment Damage Sept 18 2013.docx

Follow Up Flag: Follow up
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Patrick: As discussed attached is a report on underground equipment damage. In our initial discussions I understood the damage may have been done to a plastic line. The information I had was incorrect. The attached report provides details on the equipment damage. Let me know if you have any questions. I can be reached at 403 781 8192.

David Schmunk
Vantage Pipeline US LP

Sept 18, 2013

To: Public Service Commission

From: Vantage Pipeline US LP

Case number PU-11-109

Attention: Patrick Fahn

Re: Damage to Underground Equipment Report

Clause 35 of the Certificate of Corridor Compatibility Number 137 states "Company shall notify the Commission, as soon as reasonably possible, if any damage, as defined by North Dakota Century Code Chapter 49-23, occurs to underground facilities during construction conducted under the certificate or permit issued in this proceeding."

Vantage hereby notifies the Public Service Commission of damage to underground facilities. The following information provides details on the damage to underground facilities:

Date damage occurred: Sept 16, 2013

Parties Involved: Vantage Pipeline's Construction Contractor and HESS Corporation

Location damage occurred: Immediately north of Hess Tioga Facility in Williams County. Land is owned by HESS Corporation and legal location is SE 026-157N-095W.

Description of Damage: Vantage contractor was excavating an area for the Vantage Pipeline when an underground steel line owned by HESS Corporation was unknowingly moved and damaged. No injuries, damage to equipment or environment occurred as a result of the damage. The work was immediately suspended and an investigation conducted. Upon investigation it was found that all ground disturbance procedures in place were followed. The ground disturbance procedures included 2 independent line locates, use of North Dakota One Call (ticket number 13150887 and update ticket number 13142700), a Crossing Agreement and a ground disturbance procedure in place with owner of line. Owner's representative was on site and was active in observing the dig and providing direction to the excavator. During excavation an underground concrete structure filled with dirt was discovered nearby the exposed underground HESS line. The HESS representative provided permission to our contractor to pull out the concrete structure. When it was removed it was discovered the concrete structure was installed to protect an underground valve. When the concrete structure was removed the concrete structure moved the underground pipe the valve was attached to. The impact that resulted from the concrete moving the underground pipe caused an adjacent weld to crack and created a small sweet natural gas leak in the vicinity of the crack. The work was immediately shutdown and the crack in the pipeline was subsequently repaired by HESS.

Prevention: It was noted by all parties that prior to removal of any structures buried immediately above underground pipelines that the bottom of the structure needs to be excavated by hand or with a

hydrovac to ensure an accurate understanding of the entire underground structures location relative to existing underground pipelines.