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SECTION 1: INTRODUCTION AND METHODOLOGY

1.1 INTRODUCTION

Basin Electric Power Cooperative (Basin Electric) is a regional wholesale electric generation and transmission cooperative. On December 31, 2014, Hess filed an application with the North Dakota Public Service Commission (Commission) requesting authorization to construct the Lonesome Creek Station Phase III Project (Project), PU-14-852.

The Project consists of the construction, operation and maintenance of three additional 45-megawatt (MW) General Electric (GE) LM6000PF natural gas-fired simple-cycle combustion turbines (SCCTs) each with a nominal generation capacity of 45 MWs. These units will be known as Units 4, 5 & 6. The units were added to Basin's existing Lonesome Creek Station where units 1, 2 and 3 were already in operation. The Commission issued its Findings of Fact, Conclusions of Law and Order (Orders) on April 29, 2015 granting the Certificate of Corridor Compatibility No. 43.

E3 Environmental, LLC (E3) was contracted (Contract # PU-724-15-EE) by the Commission to provide inspection services for the Project to document compliance with the Commission's Orders. E3's contract allowed for three (3) active construction inspections and one post-construction/restoration inspection and associated inspection reports. In combination with the final inspection, E3 is to report on the overall status of compliance with the Commission's Orders. Inspections were completed on September 15, 2015, April 28, 2016, July 16, 2016 and July 12, 2017. This report documents the findings of the July 12, 2017 inspection as well as documents the Project's overall compliance with the State's siting laws and the Commission's Orders.

1.2 METHODOLOGY

The purpose of this report is to document the status of compliance with the Commission's siting laws and rules, commitments made within the siting applications, project plans as described in the Commission's Orders and any recommendations made by other agencies. E3's staff reviewed the documents available on the Commission's website, spoke with Basin Electric personnel and completed a field inspection to assess the Project's overall compliance.

E3's Environmental Consultant Katie Schmidt met with Basin Electric's representative Cris Miller on July 12, 2017 to complete the field inspection. The Project was visually inspected from driving access points. Photographic documentation was collected during the inspection; Appendix A contains inspection photographs.



SECTION 2: STATUS OF COMPLIANCE

2.1 FINDINGS OF FACT: LONESOME CREEK STATION PHASE III (PU-14-852)

Number	Finding	Status
3	Basin Electric plans to construct 2 of the 3 proposed units in May of 2015 with commercial operation to commence in June of 2016. Construction of the 3 rd additional unit is expected to begin in May of 2016 with commercial operation to commence in June of 2017.	Construction of the 2 units is complete. Construction on the 3 rd unit had not begun at the time of inspection.
9	Basin Electric will obtain a Conditional Use Permit (CUP) from McKenzie County.	The CUP was obtained by Basin Electric and will be filed with the Commission.
24	Basin Electric has applied for a Prevention of Significant Deterioration permit from the North Dakota Department of Health and will submit the permit upon approval.	Basin obtained the appropriate air permit authorizations and will file the appropriate documentation with the Commission.



Number	Finding	Status
27	In its application, Basin Electric provided measures for erosion prevention and sediment control during and after construction. Once construction is completed, all unused land will be returned to its former condition and re-vegetated.	Revegetation is complete and Basin has plans to have the remaining ECDS removed.

2.2 ORDER PROVISIONS: LONESOME CREEK STATION PHASE III (PU-14-852)

Order Number	Order Provision	Status
1	Company understands and agrees that the Certificate of Site Compatibility will be issued by the Commission subject to the conditions and criteria set forth in Chapter 49-22 of the North Dakota Century Code and Chapter 69-06-08 of the North Dakota Administrative Code, and that Company shall be responsible for compliance with this order and conditions and criteria set forth in the applicable laws and rules.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
2	Company agrees to hold a preconstruction conference prior to commencement of any construction, which must include a Company representative, its construction supervisor, and a representative of Commission Staff, to ensure that Company fully understands the conditions set forth in the Commission's order.	The preconstruction call was held on May 1, 2015, the call summary notes have been docketed, Docket Item 40.



Order Number	Order Provision	Status
3	Company agrees to comply with the rules and regulations of all other agencies having jurisdiction over any phase of the proposed energy conversion facility that requires said license or permit.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
4	Company understands and agrees that it shall obtain all other necessary licenses and permits, and shall provide copies of all licenses and permits to the Commission prior to construction activity associated with the energy conversion facility that requires said license or permit.	Basin will be filing with the Commission documentation relating to their Construction Stormwater Permit, Air Permit and Conditional Use Permit.
5	Company agrees to inform the Commission and the Commissioner's third-party construction inspector of its intent to start construction on the energy conversion facility prior to the commencement of construction. Once construction has started, Company shall keep the Commission and the Commission's third-party construction inspector updated on construction activities on a monthly basis.	Basin filed its notice to start construction on 5/1/17; Docket Item 41. 14 monthly progress reports were filed with the Commission; Docket Items 48, 49, 51, 52, 65-61, 63, 64, 67 and 68.
6	Company understands and agrees that the Certificate of Site Compatibility is subject to suspension or revocation and may, in an appropriate case, be suspended or revoked for failure to comply with the Commission's order, the conditions and criteria of the certificate or subsequent modification, or failure to comply with the applicable statutes, rules, regulations, standards, and permits of other state of federal agencies.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.



Order Number	Order Provision	Status
7	Company agrees to maintain records that will demonstrate that it has complied with the requirements of the Commission's order and the Certificate of Site Compatibility, and that it will preserve these records for Commission inspection at any reasonable time upon reasonable notice.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
8	Company agrees to construct and operate the energy conversion facility in accordance with all applicable safety requirements.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
9	Company agrees to construct and operate the energy conversion facility in the manner described in the Company's application, in any late filed exhibits and supplemental materials (Application). To the extent there are any conflicts or inconsistencies between the Company's Application and the provisions in this Certification Relating to Order Provisions, the Certification provisions control.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
10	Company agrees to report promptly to the Commission the presence in or near the approved site of any critical habitat or threatened species, endangered species, bald eagles, or golden eagles that the Company becomes aware and which were not previously reported to the Commission.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38. No observations occurred during construction.



Order Number	Order Provision	Status
11	Company understands and agrees that all cultural resource mitigation plans must be submitted to the North Dakota State Historic Preservation Office and approved prior to the start of any fieldwork and construction activity in the affected area.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38. Basin submitted an Unanticipated Discoveries Plan with the filing of the Application, Docket Item 1.
12	Company understands and agrees that if any cultural resource, paleontological site, archeological site, historical site, or grave site is discovered during construction, it must be marked, preserved and protected from further disturbances until a professional examination can be made by State Historical Society, a report of such examination is filed with the Commission, and clearance to proceed is given by the Commission.	No unanticipated discoveries, protected wildlife/critical habitats were encountered/reported during the project. Basin submitted an Unanticipated Discoveries Plan with the filing of the Application, Docket Item 1.
13	Company understands and agrees that all buried facility crossings of graded roads must be bored unless the responsible governing agency specifically permits Company to open cut the road.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
14	Company understands and agrees that all pre-existing township and county roads and lanes used during construction must be repaired or restored to a condition that is equal to or better than the condition prior to the construction of the energy conversion facility and that will accommodate their previous use, and that areas used as temporary roads or working areas during construction must be restored to their original condition.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.



Order Number	Order Provision	Status
15	Company understands and agrees that construction must be suspended when weather conditions are such that construction activities will cause irreparable damage to roads or land, unless adequate protection measures approved by the Commission are taken.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
16	During construction, at least 12 inches of topsoil, where available (or topsoil to the depth of cultivation, whichever is greater), over and along areas where facilities will be placed must be stripped and segregated from subsoil. Any area on which excavated subsoil will be placed must first be stripped of topsoil. After backfilling with subsoil is completed, any excess subsoil must be placed over the excavation area, blending the grade into existing topography. Topsoil must not be placed within the footprint of the facilities, and must be placed over areas containing topsoil.	Basin has agreed to and carried out this Order per previous inspection records, Docket Items 53 & 65.
17	Company understands and agrees that reclamation, fertilization, and reseeding is to be done according to the Natural Resources Conservation Service recommendations, unless otherwise specified by the landowner and approved by the Commission.	Basin has agreed to and carried out this Order per previous inspection records, Docket Items 53 & 65. Restoration complete, ECDs are to be removed; Basin has plans in place to complete this action.
18	Company understands and agrees that its obligation for reclamation and maintenance of the approved site will continue throughout the life of the energy conversion facility.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.



Order Number	Order Provision	Status
20	Company understands and agrees that it shall repair or replace all fences and gates removed or damaged during all phases of construction and operation of the proposed energy conversion facility.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
21	Company understands and agrees that it shall repair or replace all drainage tile broken or damaged as a result of construction and operation of the proposed energy conversion facility.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
22	Company understands and agrees that it shall work with landowners and residents to mitigate any increase in television and residential radio interference that results from the construction of the energy conversion facility.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38. No interference has been reported.
23	Company understands and agrees that staging areas or equipment shall not be located on land owned by a person other than Company unless otherwise negotiated with landowners.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38. No issues were identified during construction.
24	Company understands and agrees that it shall remove all waste that is a product of construction and operation, restoration, and maintenance of the site, and properly dispose of it on a regular basis.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38. No debris or waste was observed during the final inspection.



Order Number	Order Provision	Status
25	Company agrees that it shall, as soon as practicable upon on the completion of the construction of the energy conversion facility, restore the area affected by the activities to as near as is practicable to the condition as it existed prior to the beginning of construction.	Basin has agreed to and carried out this Order per previous inspection records, Docket Items 53 & 65. Restoration complete, ECDs are to be removed; Basin has plans in place to complete this action.
26	Company understands and agrees that it shall provide any necessary safety measures for traffic control or to restrict public access to the energy conversion facility.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
27	Company understands and agrees that it shall advise the Commission of any extraordinary events which take place at the site of the energy conversion facility, including injuries to any person, or the death of any threatened or endangered species on the site within five business days of such event.	No extraordinary events occurred during the construction of the System.
28	Company understands and agrees that it shall implement a procedure for how complaints concerning the proposed energy conversion facility will be handled by the Company.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.
29	Upon request, Company agrees to provide the Commission with engineering design drawings showing surveyed structure prior to construction.	Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.



Order Number	Order Provision	Status
30	<p>Company understands and agrees that it shall inform the Commission in writing of any plans to modify the energy conversion facility, or of any plans to modify the site plan for the energy conversion facility. Company understands and agrees to obtain written approval from the Commission prior to any modifications to the site plan or the energy conversion facility, associated facilities, and roadway locations. Approval may be granted after notice and opportunity for hearing.</p>	<p>Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.</p> <p>No modifications were required during construction.</p>
31	<p>Company agrees to provide the Commission with both an electronic and a paper copy of the corridor approved by the Commission and the facility design specifications for the construction of the transmission facility showing the location of the transmission facility as built, and will provide this information within 3 months of the completion of construction. Company also agrees to provide an electronic version of the corridor approved by the Commission and the facility design specifications for the construction of the transmission facility showing the location of the transmission facility as built that can be imported into ESRI GIS mapping software within 3 months of the completion of the construction. This electronic map data must be referenced to the North Dakota coordinate system of 1983, North and/or South zones US Survey feet (NAD 83) UTM Zone 13N or 14N feed (NAD 83), or geographic coordinate system (WGS 84) feet. The vertical data must be in the appropriate vertical datum for the coordinate system used. All submissions must specify the datum in which the data was developed.</p>	<p>Basin submitted the required design specification and map; Docket Item No. 69.</p>



Order Number	Order Provision	Status
32	<p>Company understands and agrees that the authorizations granted by the Certificate of Site Compatibility for the energy conversion facility are subject to modification by order of the Commission if deemed necessary to protect further the public or the environment.</p>	<p>Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.</p>
33	<p>Company understands and agrees that in the event Company desires to construct, within any site granted by a Certificate of Site Compatibility in this proceeding, an energy conversion facility that was not requested in Company's application in this proceeding, Company shall apply for a Certificate of Site Compatibility for the facility.</p>	<p>Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.</p>
34	<p>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. In the event of any damage to underground facilities, Company shall suspend construction in the vicinity of the damage until compliance with One-Call Excavation Notice System requirements under North Dakota Century Code Chapter 49-23 has been determined.</p>	<p>Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.</p>
35	<p>The certificate of site compatibility is subject to suspension of revocation and may, after hearing, be suspended or revoked for failure to comply with the Commission's order, requirements of the One-Call Excavation Notice System under North Dakota Century Code Chapter 49-23, the conditions and criteria of the certificate or permit or subsequent modification, or failure to comply with applicable statutes, or rules, regulations, standards, and permits of other state or federal agencies.</p>	<p>Basin acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on March 16, 2015, Docket Item 38.</p>



2.3 TREE AND SHRUB MITIGATION SPECIFICATIONS

Specification	Status
Inventory trees and shrubs in accordance with specifications 1-6.	No trees or shrubs were found within the Project site.
Clearing for construction was completed in accordance with specifications 7-9.	No trees or shrubs were removed during Project construction.
Inventory the trees and shrubs removed during construction.	No trees or shrubs were removed during construction.
Mitigation plan prepared identifying the number, variety, type, location and date of replacement plantings filed with Commission for approval.	Mitigation is not required as no trees or shrubs were removed.
Annual inspection and reporting completed, if applicable.	No monitoring or reporting required; no trees or shrubs were removed.

SECTION 3: CONCLUSIONS

Based upon E3's inspections and interaction with Basin Electric staff the Project was constructed in accordance with the Commission's Orders. Basin Electric understands and has agreed to/has plans in place to file or address the following items:

1. File with the Commission appropriate documentation relating to:
 - a. Construction Stormwater Permit
 - b. McKenzie County Conditional Use Permit
 - c. Air Permit



