



TABLE OF CONTENTS

SECTION 1: INTRODUCTION AND METHODOLOGY..... 1

 1.1 INTRODUCTION 1

 1.2 METHODOLOGY..... 1

SECTION 2: STATUS OF COMPLIANCE 3

 2.1 FINDINGS OF FACT..... 3

 2.2 ORDER PROVISIONS PU-15-31 AND PU-15-32 6

 2.3 TREE AND SHRUB MITIGATION SPECIFICATIONS 16

SECTION 3: CONCLUSIONS..... 17

Appendix A: Inspection Photos (July 11, 2017)



SECTION 1: INTRODUCTION AND METHODOLOGY

1.1 INTRODUCTION

Hess North Dakota Pipelines LLC (Hess) operates crude and natural gas liquids (NGLs) assets throughout North Dakota. On January 15, 2015, Hess filed two applications with the North Dakota Public Service Commission (Commission) requesting authorization to construct the Hawkeye Pipeline System (Hawkeye System or Project). The Hawkeye System includes the Hawkeye Crude Oil Project (PU-15-31) and the Hawkeye NGL Pipeline Project (PU-15-32).

The Hawkeye Crude Oil Project consists of a 25.2-mile crude oil transmission pipeline, oil storage tanks, truck unloading area, three Pipeline Inspection Gauges (PIG) facilities and six aboveground valves. The Crude Oil Project transports crude oil from the Hawkeye Oil Facility near Keene, North Dakota to the Ramberg Truck Facility near Tioga, North Dakota. The Commission issued its Findings of Fact, Conclusions of Law and Order on June 22, 2015 granting a Certificate of Corridor Compatibility No. 168 and a Route Permit No. 180 for this project.

The Hawkeye NGL Pipeline Project includes a 19.2-mile NGL transmission pipeline, four valves and two PIG facilities. NGLs are transported from the Hawkeye Compressor Station near Charlson, North Dakota to the Silurian Compressor Station near Tioga, North Dakota. The Commission issued its Findings of Fact, Conclusions of Law and Order on June 22, 2015 granting a Certificate of Corridor Compatibility No. 169 and a Route Permit No. 181 for this project.

E3 Environmental, LLC (E3) was contracted (Contract # PU-726-15-EE and PU-726-15-EE) by the Commission to provide inspection services for the Hawkeye System to document compliance with the Findings of Fact, Conclusions of Law and Orders. E3's contract allowed for two (2) 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 State's siting laws and Commission's Orders. Due to the co-location of the Hawkeye Crude Oil Pipeline Project and the Hawkeye NGL Pipeline Project E3 completed and documented inspections for the project in one report. Inspections were completed on September 15, 2015, April 27, 2016 and July 11, 2017. This report documents the findings of the July 11, 2017 inspection as well as documents the System'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 described in the Findings of Fact, Conclusions of Law and Orders and any



recommendations made by other agencies. E3's staff reviewed the documents available on the Commission's website, spoke with Hess personnel and completed a field inspection to assess the Project's overall compliance.

E3's Environmental Consultant Katie Schmidt met with Hess representative Dale Weathersby on July 11, 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

2.1.1 FINDINGS OF FACT: PU-15-31: HAWKEYE CRUDE OIL PROJECT

Number	Finding	Status
3	The Project consists of approximately 25.2 miles of pipe, including 22.8 miles of new 12-inch diameter pipe, 2.4 miles of existing 8-inch diameter pipe and associated facilities including the Hawkeye Oil Facility consisting of tanks and truck unloading area and 3 sets of PIG launchers and receivers, 4 emergency shut-down valves, and 2 mainline valves to be located either at the Hawkeye Oil Facility or at existing facilities.	The Project was constructed as detailed in Hess's Application, Docket Item No. 1.
4	Hess will repurpose one of the existing pipelines, installed in 1992 that was currently used as a loop-line to carry gas from the Northern Border Pipeline, to crude oil services. The existing pipeline is a 2.4-mile 8-inch diameter pipe.	The Project was constructed as detailed in Hess's Application, Docket Item No. 1.
5	Hess acquired all necessary easements for the Hawkeye Oil Facility.	Hess acquired all of the necessary easements.



Number	Finding	Status
6	The pipe has a 12-inch outside diameter (OD) and a wall thickness (WT) of 0.375-inches, API 5L-X52, except for bore locations which will have a WT of 0.500-inches and the Lake Sakakawea crossing, which has an 8-inch OD and a WT of 0.500-inches.	The Project was constructed as detailed in Hess's Application, Docket Item No. 1.
7	The depth of cover of the existing pipeline segment on the banks of the lake is at least 5-feet. New pipeline segments were buried with a minimum of 5-feet of cover except for locations that required a deeper burial depth including a depth of cover of 72-inches at undeveloped section lines.	Hess has completed recent depth of cover (DOC) surveys that indicated less than 60 inches DOC in some areas. Hess is working on plans to remedy this through the application of articulated concrete matting and/or Rip-rap.
32	Hess completed an inline inspection PIG and pressure test of the pipeline prior to putting the pipeline into services.	Hess completed an inline inspection PIG and pressure test prior to putting the pipeline into service.
33	Hess has coordinated with local authorities and emergency managers regarding emergency response measures. Hess's emergency response plan has been revised to include this project.	Hess coordinated with local authorities and emergency managers and revised its emergency response plan to include this project.



2.1.2 FINDINGS OF FACT: PU-15-32: HAWKEYE NGL PROJECT

Number	Finding	Status
3	The NGL Project consists of approximately 19.2 miles of pipe, including 8.7 miles of existing 10-inch pipe and 10.5 miles of existing 8-inch pipeline and associated facilities including 2 PIGs and 4 emergency shut-off valves all within existing Hess facilities.	The total length of the NGL Project is approx. 19.8 miles. Two sets of launcher/receivers were installed.
4	The Lake Sakakawea crossing was completed by repurposing existing pipelines, which are currently utilized for NGL gathering; the pipeline originally installed was installed in 1992.	The Lake Sakakawea crossing utilized existing pipelines which were installed in 1992.
5	Pipe has an 8-inch outside diameter (OD) and wall thickness (WT) of 0.25-inches, API 5L-X52 for the segment north of Lake Sakakawea, 8-inch OD and WT of 0.5-inch, SPI 5L Grade B for the Lake Sakakawea crossing segment, and 10-inch OD and WT of 0.279-inch, API 5L-X52 for the segment south of Lake Sakakawea.	The Project was constructed as detailed in Hess's Application, Docket Item No. 1.
7	The depth of cover of the existing pipeline segment on the banks of Lake Sakakawea is at least 5-feet.	Hess has completed recent depth of cover (DOC) surveys that indicated less than 60 inches DOC in some areas. Hess is working on plans to remedy this through the application of articulated concrete matting and/or Rip-rap.



Number	Finding	Status
32	Hess will conduct an inline inspection PIG and Pressure test of the pipeline prior to putting the pipeline into service.	Hess completed an inline inspection PIG and pressure test prior to putting the pipeline into service.
33	Hess will coordinate with local authorities and emergency managers regarding emergency response measures and will update their emergency response plan to include the Project.	Hess coordinated with local authorities and emergency managers and revised its emergency response plan to include this project.

2.2 ORDER PROVISIONS PU-15-31 AND PU-15-32

Order Number	Order Provision	Status
1	Company understands and agrees that any Certificate of Corridor Compatibility or Route Permit issued by the Commission will be 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.	Hess acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on April 16, 2015, Docket Item 51.



Order Number	Order Provision	Status
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 pre-construction call was held on July 9, 2015, the call summary notes have been docketed, Docket Item 64.
3	Company agrees to comply with the rules and regulations of all other agencies having jurisdiction over any phase of the transmission facility including all city, township and county zoning regulations.	Hess filed a list of permits/easements with the Commission on July 24, 2017, Docket Item 63. Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.
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 transmission facility that requires a license or permit.	Hess agreed to comply with rules and regulations of all other agencies having jurisdiction over the Hawkeye System. Hess filed a list of permits/easements with the Commission on July 24, 2017, Docket Item 63.
5	Company agrees to inform the Commission and the Commissioner's third-party construction inspector of its intent to start construction on the transmission 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.	There are 5 docketed monthly construction progress reports, Docket Items 69, 71, 73, 75, and 76.



Order Number	Order Provision	Status
6	Company understands and agrees that the pipeline will be buried to a minimum depth from the ground surface to the top of the pipe of 48-inches in range land, 48-inches for cultivated land, 48-inches at the bottom of the ditch for road crossings, and 72-inches across undeveloped section lines.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.
7	Company understands and agrees that any Certificate of Corridor or Route Permit issued by the Commission is subject to suspension or revocation and may, in an appropriate and proper 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, regulation, standards and permits of other state federal agencies.	Hess acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on April 16, 2015, Docket Item 51.
8	Company agrees to maintain records that will demonstrate that it has complied with the requirements of the Commission's order issuing a Certificate of Corridor Compatibility or Route Permit and that it will preserve these records for Commission inspection at any reasonable time upon reasonable notice.	Hess acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on April 16, 2015, Docket Item 51.
9	Company agrees to construct and operate the transmission 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.	Hess acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on April 16, 2015, Docket Item 51.



Order Number	Order Provision	Status
10	Company agrees to report promptly to the Commission the presence in the permit area of any critical habitat or threatened species, endangered species, bald eagles, or golden eagles of which Company becomes aware and which were not previously reported to the Commission.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.
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.	Unanticipated Discovery Plan has been approved as a part of the NEPA process of which the SHPO and Commission were cooperating agencies. This is outlined in the Route Application, Docket Item 64.
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 and a report of such examination is filed with the Commission and the State Historical Society and clearance to proceed is given by the Commission.	No unanticipated discoveries, protected wildlife/critical habitats were encountered/reported during the project, per previous inspection records, Docket Item 76.
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.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.



Order Number	Order Provision	Status
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 transmission 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.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.
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.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.
16	Company understands and agrees that all topsoil, up to 12-inches, or topsoil to the depth of cultivation, whichever is greater, over and along trench areas where cuts will be made, must be stripped and segregated from the subsoil. After backfilling is completed, any excess subsoil must be placed over the excavation area, blending the grade into existing topography. Topsoil must be replaced over areas from which it was stripped only after the subsoil is replaced.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.
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.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.



Order Number	Order Provision	Status
18	Company understands and agrees that its obligation for reclamation and maintenance of the right-of-way will continue throughout the life of the transmission facility.	Hess acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on April 16, 2015, Docket Item 51.
19	Company understands and agrees that its obligation for reclamation and maintenance of the transmission facility, associated facilities and roadways will continue throughout the life of the transmission facility.	Hess acknowledged and agreed to this Order by signing the Certification Relating to Order Provisions on April 16, 2015, Docket Item 51.
20	Company agrees to comply with the Tree and Shrub Mitigation Specifications, attached.	A Tree and Shrub Mitigation Plan (Docket Item 78), this plan received Commission approval on May 10, 2017 (Docket Item 80). At the time of inspection, no trees/shrubs had been planted. Hess plans to begin planting in the spring of 2018.
21	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 transmission facility.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.
22	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 transmission facility.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.
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.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.



Order Number	Order Provision	Status
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.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76. No debris or waste was observed during the final inspection.
25	Company understands and agrees that it shall, as soon as practicable upon the completion of the construction of the transmission facility, restore the area affected by the activities near as is practicable to the condition as it existed prior to the beginning of construction.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76. Construction was completed in the fourth quarter of 2015 and re-seeding/reclamation followed. As such, Hess has satisfied this Order, and no concerns were noted during final inspection.
26	Company understands and agrees that it shall provide any necessary safety measures for traffic control or to restrict public access to the transmission facility.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.
27	Company understands and agrees that it shall advise the Commission of any extraordinary events which take place at the site of the transmission 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.



Order Number	Order Provision	Status
28	Company understands and agrees that, prior to beginning construction of the transmission facility at a location, it shall send a letter to each landowner with whom an easement was executed for that location specifying the name and phone number of the company representative who is responsible for receiving and resolving landowner issues for the life of all easements for the transmission facility.	Hess' Land Dept was(is) the principle point of contact for landowners. Hess has not issued a letter to each landowner yet but is in the process of following up on this to satisfy the requirement for a continual landowner grievance process.
29	Company understands and agrees that it will file with the commission the name and phone number of the current company representative who his responsible for receiving and resolving landowner issues for the transmission facility. The company will update this information whenever there is a change to the current company representative for the life of all easements for the transmission facility.	Hess' Land Dept was(is) the principle point of contact for landowners. Hess has not submitted to the Commission a letter but is in the process of following up on this to satisfy the requirement.
30	Upon request, Company agrees to provide the Commission with engineering design drawings of the transmission facility prior to construction.	Some drawings were submitted prior to construction. However, formal as-built drawings will be submitted prior to line startups. These pipelines have not yet received authorization for start-up from the USACE.
31	Company understands and agrees that it shall inform the Commission in writing of any plans to modify the transmission facility or of any plans to modify the site plan for the transmission facility. Company understands and agrees to obtain written approval from the Commission prior to any modifications to the site plan or the transmission facility. Approval may be granted after notice and opportunity for hearing.	Hess sought one route modification (Docket Item 66) and received authorization from the Commission on September 15, 2015 (Docket Item 66).



Order Number	Order Provision	Status
32	<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>Formal as-built drawings will be submitted prior to line startups. These pipelines have not yet received authorization for start-up from the USACE.</p>
33	<p>Company understands and agrees that the authorizations granted by any Certificate of Corridor Compatibility or Route Permit issued by the Commission for the transmission facility are subject to modification by order of the Commission if deemed necessary to protect further the public or the environment.</p>	<p>Hess agreed and understands this provision.</p>



Order Number	Order Provision	Status
34	Company understands and agrees that in the event Company desires to construct, within any corridor granted by a Certificate of Corridor Compatibility in the proceeding, a transmission facility or energy conversion facility that was not included in Company's application in this proceeding, Company shall apply to the Commission for a Route Permit or Site Certificate for the facility.	Provision removed per Order issued on June 22, 2015.
35	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.	The phrase "and clearance to proceed has been given by the Commission" has been removed per Orders issued on June 22, 2015.
36	Company understands and agrees that the corridor certificate and route permit are subject to suspension or 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 failure to comply with applicable statutes, or rules, regulations, standards, and permits of other state or federal agencies.	Hess agreed and understands this provision.
37	Company agrees to utilize the following procedures if Company seeks a route adjustment before or during construction of the pipeline, pursuant under N.D.C.C. §49-22-16.3.	Hess sought one route modification (Docket Item 66) and received authorization from the Commission on September 15, 2015 (Docket Item 66).



2.3 TREE AND SHRUB MITIGATION SPECIFICATIONS

Specification	Status
Inventory trees and shrubs in accordance with specifications 1-6.	A pre-construction inventory was completed as a part of the System Natural Resource Survey; these results were included in Appendix C of the Route Applications for each project (Docket Items 48 and 50).
Clearing for construction was completed in accordance with specifications 7-9.	Hess has agreed to and carried out this Order per previous inspection records, Docket Item 76.
Inventory the trees and shrubs removed during construction.	Hess commissioned Stantec to complete post-construction tree and shrub inventory, it is found in the Tree and Shrub Mitigation Plan (Docket Item 79) which has been submitted to and approved by the Commission (Docket Item 80).
Mitigation plan prepared identifying the number, variety, type, location and date of replacement plantings filed with Commission for approval.	<p>The Tree and Shrub Mitigation Plan (Docket Item 79) which has been submitted to and approved by the Commission (Docket Item 80).</p> <p>No replacement trees or shrubs were observed during this final inspection. Replanting is planned for the spring of 2018.</p>



Specification	Status
Annual inspection and reporting completed, if applicable.	No replacement trees or shrubs were observed during this final inspection, once plantings are complete Hess will need to implement the required inspection and reporting schedule.

SECTION 3: CONCLUSIONS

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

1. Submittal of landowner contact to the Commission and distribute written letters to affected landowners.
2. Construction Stormwater Permit Documentation;
3. As-built documents; and
4. Tree and Shrub Replacement and Annual Reports.

Appendix A: Inspection Photo Log



Inspection Photo Log: North of Lake Sakakawea



Photo 1: Looking south from Silurian Compressor Station, reclamation complete, no concerns.



Photo 2: Looking northwest from the Ramberg Truck Facility, no concerns identified.



Photo 3: Looking east from 104th Ave. NW to just to the north of the Ramberg Truck Facility, no concerns identified.



Photo 4: Looking north from 57th St. NW, restoration complete.



Photo 5: Looking south from 57th St., restoration complete.



Photo 6: Looking north from the North Hofflund Valve Station, restoration complete.



Photo 7: Looking south from the North Hofflund Valve Station, restoration complete.



Photo 8: Looking north at pipeline marker 10, restoration complete.



Inspection Photo Log: North of Lake Sakakawea



Photo 9: Looking north from Hwy. 1806 at pipeline marker 3, restoration complete.



Photo 10: Looking south from Hwy. 1806, restoration complete.



Photo 11: Looking east from 105th Ave. NW, restoration complete, no concerns.



Photo 12: Looking west from 105th Ave. NW, at pipeline marker 4, restoration complete.



Photo 13: Federal land looking at pipeline marker 7, restoration complete, no concerns.



Photo 14: Federal land, ROW in background, restoration complete, no concerns.



Photo 15: Looking north at the North Charlson Compressor Station