Response to FERC Environmental Information Request Dated September 14, 2016

Environmental Information Request

- 1. Regarding the 1843 Federal House along Azalea Road near proposed Compressor Station 1, confirm if indeed, Rover purchased the structure (and property) and subsequently demolished it. If so, provide the following information:
 - a. a detailed accounting of Rover's purchase and demolition of the historic structure including relevant dates, costs, and records of sale;
 - b. the basis of Rover's rationale to purchase and demolish the structure, including internal memos, recommendations from Rover's construction or other contractors, and recommendations from Rover's cultural resources contractors;
 - c. a detailed explanation of why Rover demolished the structure when:
 - i. Rover was aware it was National Register of Historic Places-eligible;
 - ii. the structure had been a topic of discussion since pre-filing;
 - iii. Rover had committed to not adversely affecting the property; and
 - iv. Rover had already submitted a visual screening plan for the property.
 - d. why Rover did not report the demolition to the FERC staff;
 - e. a description of what internal procedures Rover intends to implement to ensure similar incidents do not occur again;
 - f. a record of Rover's consultations with the Ohio State Historic Preservation Office (SHPO) regarding the demolition of this structure and Rover's proposed method of mitigating the removal of this structure; and
 - g. any SHPO comments on Rover's proposed method of mitigation.

Response:

- 1. On May 11, 2015, Rover Pipeline LLC (Rover) purchased a house (House) situated on 10 acres of property (including outbuildings) located at 8468 Azalea Road in Dennison, Carroll County, Ohio (collectively, the Property). Rover purchased the Property from its then owners in an arms' length transaction because of its central location to Rover's proposed Pipeline and ancillary facilities (together, the Project), as well as the existing and proposed operating facilities of several of Rover's affiliates, with the intent of converting the House into an operating office for the Energy Transfer Company (ETC) owned and affiliated operating assets in the region. Because the House ultimately was determined to be too small and ill-suited for its intended purpose, a decision was made to demolish the structure and two outbuildings and move forward with plans to construct a new structure at the site.
- a. See Attachment 1 for a detailed accounting (including relevant dates, costs and records of sale) of Rover's purchase of the Property, as well as demolition and removal of the House.
- b. The regional operating offices for ETC-owned assets are geographically-based, with various affiliated companies/systems in a particular geographic region sharing corporate and operating

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office space. In this regard, the vast majority of ETC's offices are multi-system focused. As noted above, Rover purchased the Property because of its central location vis-à-vis the natural gas liquids and natural gas operating assets of ETC in the geographic region, including (but not limited to) the proposed Rover Project. Additionally, the Property is also located near facilities associated with producers and suppliers with whom Rover is contracted. The Property was not purchased specifically for the Project, or for activities directly in support of construction or the sole-operations of the Rover Pipeline. It was purchased under Rover's name for convenience purposes only.

Roughly, the eastern half of the Project will be operated by ETC's Midwest Division Office (Midwest Division). Other ETC affiliate assets in the Midwest Division include Regency Energy Partner's joint venture, the Utica Ohio River Project and the Energy Transfer Partners LP Revolution Pipeline system. The 10.0 acres acquired as part of the Property were deemed suitable for development of a complex to provide office space, equipment storage, and possibly temporary housing for employees of ETC and its affiliates. At present, the Midwest Division is temporarily housed in an office leased in North Canton, Ohio.

Neither the Property nor the House is or was necessary for the development of the Project or is planned for any use as part of the Project's construction and/or operating footprint. As proposed, the footprint of the Project, including rights-of-way, aboveground facilities, access roads and construction workspace, would not impact the Property. Rover purchased the Property separate and apart from the proposed Project and is managing it as any private landowner would do. Nonetheless, Rover did consult its cultural resources, construction contractor and others to ensure that there were no local, state or federal regulations or ordinances prohibiting the removal of the House (see Attachment 2). Moreover, once the House was determined to be ill-suited for its intended purpose, it was removed in accordance with all laws, ordinances and with all required permits. Notably, the House was never listed as a historic structure on the National Register of Historic Places (NRHP). Rover is unaware of any laws or regulations that would have prevented the removal of a structure on private property, under private ownership, for a private use (see Attachment 2).

c. As reflected above, Rover's purchase of the Property was not for or directly related to the construction and operational footprint of the proposed Project. In this regard, although the House had been identified by Rover as potentially eligible for listing on the NRHP, it was in fact never listed on the NRHP. Moreover, even if it had been listed, as reflected on the NRHP's website, "a property owner can do whatever they want with their property as long as there are no Federal monies attached to the property." As the NRHP website plainly states: "listing in the NRHP places neither restrictions nor requirements on a private property owner. You may do with the property as you wish, within the framework of local laws or ordinances. You are

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National Park Service, National Register of Historic Places Program: Frequently Asked Questions, available at https://www.nps.gov/nr/faq.htm#modify.

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not required to maintain the property in any specific way; you may demolish the property without federal permission."²

During both the pre-filing process and at the time Rover filed its Application, the Property was owned by a third-party and was identified as a tract within 0.25 mile of a proposed compressor station site. It was also specifically addressed in Rover's Resource Report 4 submitted in February of 2015 and in the January 2015 historical architectural survey report provided to the Ohio State Historical Preservation Office (SHPO) as a property potentially eligible for listing on the NRHP (January 2015 Report). The January 2015 Report and Resource Report 4 concluded that the Project would have an adverse effect on the integrity of the location and setting of the Property due to the proximity of the proposed Compressor Station 1, as well as the unobstructed viewshed between the two. Resource Report 4 stated that a visual screening plan would be developed to reduce visual and audial effects to this Property from the Project. In this regard, Rover still intends to implement the proposed visual screening to protect the integrity of the viewshed of the Property, of which the House was just one component.

While the Application and subsequent filings noted that the Project would indirectly affect the Property, it did not state that Rover would directly remove the structure, since removal of the House was not part of the Project scope and its removal was not necessary for the Pipeline operation or purpose. Moreover, Rover had not acquired the Property at the time it filed its Application.

On January 25, 2016 (as revised February 16, 2016), the Ohio SHPO offered comments on Rover's January 2015 Report (see Attachment 3). Subsequent discussions with the Ohio SHPO were based on the Project's potential effect on the Property as described in Resource Report 4 and the January 2015 Report. During discussions in a meeting on March 29, 2016, Rover informed the Ohio SHPO that the company had purchased the property and the Ohio SHPO inquired about the plans for the property (see March 29, 2016 Meeting Minutes included in Attachment 3). Rover staff subsequently made general inquiries internally regarding the property's intended use and was informed that the property and house were being considered for regional and local operations for its various operating assets. It was also relayed that Operations had been asked if they wanted to use the House as office space. However, after evaluation and consideration, the House was determined to be insufficient for office use, although certain outbuildings would most likely be retained and utilized for other uses.

Rover staff subsequently informed the Ohio SHPO via a courtesy phone call and email on April 5, 2016 that Rover intended to remove the House, approximately seven weeks prior to its removal (see April 5, 2016 telephone conversation memo and email included in Attachment 3). Rover submitted a letter to the Ohio SHPO on June 15, 2016 restating that Rover had purchased the Property and intended to remove the House. The letter recommended no further

² *Id*.

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consideration of the resource for the Project (see June 15, 2016 letter included in Attachment 3). Subsequent to those discussions, Rover has communicated with the SHPO to provide mitigation for all impacts associated with construction of the Rover Project in Ohio (see Attachment 4).

- d. While Rover informed the SHPO of its purchase of the Property and subsequent intent to remove the House as an update to the information included in its January 2015 Report in the context of ongoing consultation, it did not occur to Rover at that time to report this information to the Commission because neither its purchase of the Property nor its removal of the House was directly associated with or a result of the Project, as fully discussed above. In this regard, Rover still intends to implement the proposed visual screening plan as mitigation. However, in retrospect, Rover could have updated its docket with the Commission to reflect that the Property's status had changed.
- e. To ensure that a similar confusion does not occur in the future, more comprehensive communications internally and externally with the Ohio SHPO and the Commission would be undertaken. Had such communications concerning the acquisition of the Property and its intended non-jurisdictional use occurred, it may have mitigated the misunderstandings associated with Rover's purchase of the Property and removal of the House. Additionally, this situation may have been less confusing had the Property been purchased by a separate affiliate of ETC, rather than Rover, but that is not the case. If there are any plans (which Rover is unaware of any at the current time) to remove other comparable facilities in close proximity to the Project (but outside the actual footprint of the Project), if warranted, Rover will provide more communication to FERC or other interested persons or groups to insure that it is clear that the activity is not project-related.
- f. Please see Attachment 3 which includes the January 25, 2016 letter (as revised February 16, 2016) from the SHPO to Rover; meeting notes from the March 29, 2016 meeting between the Ohio SHPO and Rover wherein Rover informed the Ohio SHPO that Rover had purchased the Property; the April 5, 2016 telephone conversation memo and email whereby Rover informed the Ohio SHPO that Rover intended to remove the House and a subsequent June 15, 2016 letter restating that intent. Also enclosed as Attachment 3 is correspondence from the Ohio SHPO to Rover dated August 12, 2016, in which the Ohio SHPO acknowledges the purchase of the House by Rover and the company's intent to remove the structure. In this regard, the Ohio SHPO states as follows (at p.4) with respect to the issue of mitigation:

However, subsequent to the completion of the original survey report, the Stoneman House (CAR-266-12) was acquired from the property owner and is now owned by Rover. The current plan is for the house to be demolished. Whether the house is to be demolished or to remain in proximity to the proposed Mainline Compressor Station 1, it is our opinion that either alternative will have an adverse effect on this eligible historic property. We request that mitigation measures should be identified and that consultation should continue in anticipation of a formal agreement

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document that would memorialize any commitments made to mitigate adverse effects.

In addition, enclosed as Attachment 4 is the September 14-15, 2016 email correspondence between Rover and the Ohio SHPO concerning prior discussions summarizing a plan to execute a Memorandum of Understanding for Rover to fund an endowment fund for educational efforts regarding historic preservation in Ohio, on which the Ohio SHPO and Rover had been coordinating for the last few weeks.

g. In addition to the above referenced email correspondence between the Ohio SHPO and Rover from September 14-15, enclosed in Attachment 4 is a letter from the Ohio SHPO to Rover dated September 20, 2016 and Rover's September 26, 2016 response to the Ohio SHPO's September 20, 2016 letter, both of which discuss plans for mitigation.